

INSIDE: The Great One Says Goodbye



Maclean's

AUGUST 22, 1988

CANADA'S WEEKLY NEWSMAGAZINE

\$2



THE SCENT OF FREEDOM

On The 20th
Anniversary Of The
Invasion Of Prague,
The Winds Of
Change Are Stirring
Eastern Europe

Reformist
Hungarian Leader
Károly Grósz



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CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

AUGUST 30, 1994 VOL. 30 NO. 35

COVER

The scent of freedom

Twenty years after tanks and troops from the Soviet Union and its Warsaw Pact allies crushed the reforms movement in Czechoslovakia, many of the Eastern Bloc's 115 million people are savoring the promise of more freedom as a result of Soviet leader Mikhail Gorbachev's campaign for change. —Page 12

COVER PHOTO: CHERRY KEARNEY/SHUTTERSTOCK
BY BARBARA HALL & ANTHONY LEV



Canada's ceasefire mission
Advance teams of Canadian soldiers flew to Iraq and Iraq late last week as part of a 24-nation truce observer force overseeing a truce in the bloody Persian Gulf war. —Page 28



A royal entry
The Duke and Duchess of York's first child, a six-pound, 15-ounce girl, was born on a lucky day—the eighth day of the eighth month of the eighty-eighth year. —Page 42



Gretzky becomes a King
Last week, in one of the biggest deals in sports history, Canada lost its national hero after Peter Dinklage traded Wayne Gretzky to the Los Angeles Kings. —Page 38



Recalling the dream car
In Tachler, starring Jeff Bridges, director Francis Ford Coppola has turned a childhood memory of a minivan automobile inventor into a cinematic fable. —Page 45

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Car trouble

And that your cover package "Car wars" (Aug. 1) glossed over some important points in its hurry to glorify the North American car industry. It mentions that "by 2011, the industry will be producing five million more cars and trucks than there are buyers for them." Car manufacturers are ripping the land in their quest for new materials, car graveyards are filled to the brim with yesterday's hot finds, and the price of gasoline continues to climb while its long-term availability is questionable. Yet, the industry, in its chase after the almighty dollar, is going to create a five-million-car glut? Think about it.

—GUSTON WILLIAMSON,
Colony



Cars: glamorizing the industry

An inequitable situation

Your article on Bill C-72, which amended the Official Languages Act ("Mulroney takes charge," Canada, July 18), provided an explanation about why some members of Parliament voted against the Bill. Francophones are exclusively being hired and promoted in the public service, while English-speaking Canadians are denied career opportunities and are therefore being discriminated against. No action, however, has been taken to correct this inequitable situation.

—DAN HUGHES,
Member of Parliament,
Ottawa

Charting political waters

The House of Commons loves to bash the Senate any time the upper chamber works up, and now accuses the Senate of

sleeping when it is silent ("John Turner's Senate gamble," *Canada/Special Report*, Aug. 1). On both free trade and Meech Lake, it is the Senate, not the Commons, which attempts to let the people speak. There is something to be said for an upper house that does not have to share its power for political gain.

DONALD L. HEALE
Melbourne, Que.

Great idea, John. Let's have an election on free trade. And after that, how about an election on abortion and then maybe one on immigration or national defense, all important issues "the people should decide." And don't forget Meech Lake. Speaking of which, do you suppose it's too late to have an election on Trudeau's Constitution? I waited in vain for the Liberals to take that one to the people.

—KARENETHA WILLIAMS

Networks, B.C.

Rekindling resentment

The diminishing flow of western Canadian immigrants toward Ontario will surely be reflected by Alan Felsenberg, an immigrant officer at Toronto's Consulate General, Tel Aviv, who says he is shorting requests from Jews fleeing poverty-stricken Israel. "We have given up poverty to develop without pausing through civilization," not only reveals his lack of research into the history of the province but is followed by an inflated number of viciously opinionated allusions that drop to the level of racial slurs, including the reference to Zionism as an "Islamic shock." What has passed as otherwise interesting writing?

—MALCOLM JOE TAYLOR

Aug. One

Letters are edited and may be condensed. Writers should supply name, address and telephone number. Send correspondence to: Letters to the Editor, *Maritime's Magazine*, Maclean's House Ltd., 177 Bay St., Toronto, Ont. M5H 1A2.

PASSAGES

AGE: Popular singer and songwriter Félix Leclerc, 36, whose music and grandiose personality have earned him the title of Quebec's "cultural hero," struck at his 1978 performance in Montreal with a "big, fat, fat" *Créolisme*. Que, home. The grand-named performer, who accompanied himself on the guitar, kept arched eyebrows as a performer in France in the early 1950s. For 20 years, he divided his time between France and Quebec, but he returned home permanently in 1977 just before the October Crisis, which, he said, "opened my eyes." As a result, Quebec independence became a major theme in his work, alongside love and friendship. In 1980, he actively supported the lasting separation deal in the Quebec referendum on sovereignty.

OTTAWA—Imedji Singh Reyal, 36, a London, England native, after extraditing him to Canada, where he is wanted on eight charges in connection with the Aug. 28, 1980, bomb explosion at Tokyo's Narita airport, which killed two Japanese baggage handlers. Reyal, who says that he is innocent, is a former resident of Duncan, B.C., where Canadian officials allege that he assembled the bomb that was placed aboard a CF Air jet at Vancouver before it left for Tokyo on the same day as the Narita bomb blast, an Air India flight from Canada exploded over the North Atlantic off the coast of Ireland, killing all 329 people aboard.

RED Fashion and perfume entrepreneur Robert Herli, 55, owner of Nig & Ross, one of Paris's oldest high-fashion houses, of a heart attack in a Paris hospital.

DEAD Oscar nominee Anne Ramsey, 55, whose portrayal of a grotesque mother in last year's *Throw Momma from the Train* made her a cult figure, of throat cancer in a Los Angeles hospital

DEED Soviet cosmonaut Anatoly Levchenko, 42, of a brain tumor. Levchenko, who was in line to fly the first Soviet space shuttle, was part of a team that spent a week in orbit last December to rehearse the crew aboard the space station Mir.

MEM Coastal journalist, author and screenwriter **Adelle St. Johns**, 94, in a convalescent hospital in Arroyo Grande, Calif. One of few female reporters when she began her career in 1933, St. Johns worked for several U.S. newspapers owned by **William Randolph Hearst**, beginning with *The San Francisco Examiner*. In addition to covering such stories as the abduction of **Edward Gell** and the **Lindbergh** baby kidnapping, St. Johns wrote about Hollywood stars for *Photoplay* magazine and completed movie scripts for two **Sam Mink** westerns.

BACK TO BACK HOMERS.



Thanks for not Drinking and Driving



Death sentence by gender

The newspaper ads for the Leona Medical Clinic in New Delhi feature the slogan "They or you, kill the sex of your unborn child." The ads promote amniocentesis, a medical procedure for determining if a fetus has genetic defects. But the text also discloses the gender of the fetus, and women in India have been undergoing it so that they can abort unwanted female children. In crowded Bombay, capital of the western state of Maharashtra, one sampling by a women's rights group of 5,000 abortions following amniocentesis in 1986 revealed that all but one were performed on female fetuses. In April, the state adopted a new law restricting the tests to women over 35 and those at risk of having children with birth defects. But many observers say that younger women in Maharashtra are still finding ways to get the tests.



Women and children in India: Abortions of female fetuses

Social pressure on poor families in India, as in many countries, is the reason for the reluctance to give birth to girls. Daughters are often resented because of the traditional requirement for parents

to provide substantial marriage dowries, and the social status of women who have not produced male children is low. Amniocentesis has been widely used in India for more than five years, and many women go to clinics offering the test and a doctored abortion for as little

as \$100—much less than the doctor expected once of poor parents. In the fall, the nation's parliament will consider legislation along the lines of Maharashtra's but over the threat of fines and a jail sentence has not stopped some Maharashtra doctors—and unlicensed practitioners—from performing the test.

Many women's rights advocates support the law—but others say that they have reservations about saving unwanted female babies. "If there are four females, their status may increase," said Kalyan Karikar, director of the Calcutta Social Project, an aid group for the city's poor. Until conditions improve for Indian women, Karikar and others will question the need for less than the one in Maharashtra.

—JULIA BENNETT with correspondence reports

The hysteria over child abuse

By Barbara Amiel

The child-abuse bandwagon has been slow in coming to Britain, but when it arrived, it did so with a vengeance. It made its public debut on the evening of Oct. 26, 1986, at 830 to be precise. That was the night that the *tab* began what it described as "a major campaign against child abuse" and kicked it off with a one-hour-and-45-minute program called *Childwatch*. The program inspired a national panic that the *tab* had committed, showing that one in every 50 British children had suffered some form of cruelty and estimating that three children in the average classroom of 30 were suffering sexual abuse.

It was a statistical abuse of children in England, claimed the pollsters, was now as "common as physical violence." To those of us who had lived through the two volumes of Robin P. Badgley's 1984 report, *Sexual Offenses Against Children*, this had a certain absurdity. Badgley, you may recall, landed into the penitentiary in Canada and found that about one in two females and one in three males had been "victims of unwanted sexual acts" at some time in their lives. All of a sudden, it seemed to me, bookshelves and newspapers were bursting with articles and authors recalling harrowing moments when they had been sexually abused in their childhood. Of course, no sane person can be blind to the fact that some child abuse is so heinous that it

inspired by a seminar on child abuse in which he had learned of the technique of reflex and dilatation (RAD) as a means of diagnosing sexual abuse. Although RAD is a highly controversial test (some would say a discredited one) for diagnosing abuse, the doctor in question embraced it enthusiastically.

Soon the local hospital wards were packed with babies and small children who had failed the RAD test. Parents who had brought in a child with a minor ailment suddenly found themselves assigned a nursery that the *tab* had told to bring in all of their other children for examination as well. Although, subsequently, almost all of the parents were given their children back, the pain—and the fear of the sexual abuse—remained. As a parent, who had taken his case to court and finally got to bring in his four daughters after a six-month separation, and "When I heard the verdict, it was quite a blow to me."

Part of the problem with the child-abuse movement is its need to establish that child abuse exists among every class

any. The desperate thing is that you can only say you have done nothing, but you have no proof."

That sort of hysteria is not confined to Britain. Recently, friends of mine in Canada found the conference being co-sponsored by a social worker after they innocently asked their pediatrician for advice about an incident that their little daughter had reported involving a physician. He told them that, given the climate of the times, he had a choice but to report the matter. "The social worker just knuckled at our door one day and started asking questions," the mother told me.

There is nothing wrong, and probably a lot of good, in having special police units trained to investigate cases of abuse. What is dangerous is to broaden the definitions of abuse to such vague categories as "emotional" abuse or to start investigating families where the children are evidently happy, healthy and well-behaved.

When the abuse of investigation may be worse than any so-called emotional abuse. We need to agree upon a definition of abuse, and that should be on

the side of conservatism. If some fathers give their daughters baths at whatever age, it is not a matter for social workers to determine whether that is normal. If there is no distress or complaints, the social workers should stay away.

One of the great unspoken problems that surfaced in a child-abuse seminar I attended in Leeds last month is the problem of sexual abuse of children in lower-class families. These were families with a high degree of mental retardation and random pregnancies. They were largely confined to substandard housing, their lives were a shambles and the children greatly abused—sexually and physically. But because no one wants to acknowledge that there are some people who arrange lives and procedures to encompass them and then give them to everyone.

Part of the hysteria of the child-abuse movement is its need to establish that child abuse exists among every group. I have no doubt that there are children in lower-class families of dreadful abuse. But it would be confounding the evidence of our eyes and common sense not to see that, unless we define child abuse so broadly as to cover the routine of toilet lessons, the horror stories of sexual and physical abuse more often take place in families that sleep cramped together in one bedroom. In our egalitarian society, it is false to suggest that we may need to focus our attention on these people. As a result, the social worker turned my friends of mine in upper-middle-class Canadian friends.

But most social workers know that the real cause of abuse, with the occasional exception, are more likely to occur in a social stratum where the people are simply not equipped to lead normal, sane, adequate lives. There ought to be a way of helping these people without their ever becoming our social standard. We should also be able to accept the fact, as a lesser evil, that because of the nature of such people, there will always be a number of exceptions.

The child-abuse bandwagon has run itself into the ground because it cannot, or does not, wish to make these distinctions. Why it does not wish to do so is the subject for another column. But to use the administrative structure of a few to invade in an extrajudicial way into the lives of all is a matter with which we should take the strongest exception.



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The Congress says yes

For most of the turbulent history, Prime Minister Brian Mulroney's push for free trade with the United States has produced powerful opposition on both sides of the debate. Even some Mulroney and President Ronald Reagan discussed the idea of a free-trade pact between Canada and the United States at the Quebec City summit in March 1986, the issue has dominated relations between the two countries, divided public opinion and heated up Canadian politics. The uncertainty lingered last week in Canada, as the Senate maintained its view to block passage of the free trade agreement after it passes the Commons in Washington, the United States Congress put on hold to the free trade debate, leaving the bill before the U.S. Senate—and the bill squarely in Ottawa's court.

In an unusually brief 15-minute meeting, the powerful U.S. Senate Finance Committee unanimously endorsed the trade legislation. Later in the day, the 430-member House of Representatives overwhelmingly approved the trade bill by a vote of 386 to 40 after a three-hour debate that drew attention from both Republicans and Democrats.

Now, only the 100-member U.S. Senate needs to vote on the trade bill before it is sent to the White House for presidential approval—although that will not likely happen until next month, when Congress returns from its summer recess. However, the congressional action turned up the heat under the Commons. On Aug. 22, amid warring and a blizzard of opposition amendments, the Commons began final debate on the free trade bill before it goes to the Senate—where the Liberals have promised to keep it until Mulroney calls a federal election on the issue.

So deeply have the country's most prominent politicians dug themselves in on both sides of the debate that their futures could be inextricably linked to the fate of the deal. Liberal leader Jean Turner's during intense last month in instructing the Liberal-dominated Senate to block the free trade bill when it reaches the upper chamber will almost certainly decide his political future. For Mulroney, who has made the signing of a free trade deal with the United States the centrepiece

piece of his government, meeting Turner's election challenge presents problems because recent polls place the Liberals and Tories in a virtual tie. The Prime Minister, Turner said New Democratic Leader Edward Broadbent—the latter was arguing that free trade will undermine Canadian sovereignty—have stamped the country with a positive rating seen in federal Canadian polls. Turners have been pulled over, leading to verbal battles in the Commons.

The passion was evident once more last week as the Commons resumed debating the controversial 125-page package for the final time. Many Canadians have criticised the emotional outbursts. Staff Alberta Liberal Senator David Hays "I think there is a tendency to exaggerate on both sides of the issue—in our fear as a nation."

Added Ruth Robinson, president of the 120,000-member Consumers' Association of Canada, which has given the trade deal a conditional endorsement. "Both sides have overestimated their positions."

The CAC has said that it believes Canada will benefit from free trade with the United States. But the organization has offered only lukewarm support to the deal because, said Robinson, it leaves too many questions unanswered. One of them, she said, is whether consumers will pay less for tariff-free U.S. products, rather than having Ottawa try to recover the lost revenue through additional taxation.

In Washington, there were few such reservations. Said Representative Samuel Orlowski, a Florida Democrat: "If anything of a historic nature has happened in this hall during the past few years, this certainly would rank near the top."

Added Representative Philip Crane, an Illinois Republican: "This agreement is the crowning achievement of this president and his administration."

But for Canada, there were warnings as well. Representative John LaFalce, a Democrat from Niagara Falls, N.Y., said that if the legislation does not pass, a trade war would ensue between the two countries. Said LaFalce: "There will be an avalanche of angry trading complaints brought by both Canada and the United States that will set back both of our countries immensely."

Indeed, the trade bill faces an uncertain fate in Ottawa. Last week's three-day debate resulted around Bill C-38, returned to the Commons with two amendments made by a 15-member, all-party legislative committee that studied the pact for three weeks.



Left to right, U.S. congressmen David Bonior, Daniel Rostenkowski, Samuel Orlowski after the vote, smiling.

One proposed change, initiated by Conservative members in response to opposition pressure, removes a clause from the existing legislation that gives the free trade agreement precedence over any conflicting Canadian laws. The other amendment would ban large-scale water exports to the United States.

If the Conservatives stick to their timetable, the bill could receive final approval from the Commons by early September. Yet both the Liberals and the new majority to prolong the debate by introducing additional amendments, the first batch of which was presented

Friday. The aim of the opposition amendments, in part, was to prod the government into the risky business of opening closure and cutting off debate. Said Liberal House Leader Herb Gray: "We intend to debate the matter fully. If the government doesn't agree with the length of time the debate is taking, then it has the ability to close off the debate. If it does that, it will have to answer adversely to the Canadian people for that."

The government may be fully prepared to do just that. Once the trade bill is approved by the large Conserva-

tive majority in the Commons, it will be sent to the 504-seat Senate, where the 58 Liberal members have already pledged not to pass C-38 until a general election is called. That would give Mulroney with an election issue of his own—Senate obstruction. But the biggest issue in such a campaign would not be the Senate. It would be the shape of things to come in trade between Canada and the United States.

—THEODORE THOMAS in Ottawa with BRIAN MACLENNIE in Toronto and IAN WATSON in Washington

The milestones of free trade

In 1954, the United States and Britain—acting on behalf of its Canadian colonies—signed a limited free trade deal, which the Americans abrogated 12 years later. Several attempts to renegotiate a deal across the border in the generations that followed were unsuccessful. Here is how the latest agreement unfolded.

June 2, 1960: During his successful Conservative leadership campaign, Brian Mulroney said of free trade in a Thunder Bay, Ont. "It affects Canadian sovereignty and we will have none of it, not during the leadership campaign or at any other time."



Mulroney: the talks were not 'over'

March 16, 1986: Mulroney and U.S. President Ronald Reagan meet in Quebec City at the so-called Shamrock Summit; they agree to explore greater "bilateral trade" between the two countries.

Nov. 4, 1985: Both countries' senior officials negotiate. Mulroney appoints Simon Roussin, the United States names Peter Murphy.

May 23, 1986: The United States imposes duties on Canadian underclothes and sleepers. Free trade talks are officially begun in Ottawa. Deadline for completion Oct. 4, 1987.

June 2, 1986: Canada retaliates against the "unjustified" U.S. duty on sleepers, levying \$90 million in duties on U.S. products.

Sept. 23, 1987: Brianman stamps out of negotiators, saying that the Americans have not met "our bottom line." He declares the talks are "over." Mulroney says that they are "suspended."

Oct. 2, 1987: Seeking to salvage free trade before the deadline, Mulroney sends International Trade Minister Patricia Carney, Finance Minister Michael



Murphy after a marathon, a deal

Wilson, Chief of Staff Derek Burney and Brennan to Washington. **Oct. 2, 1987:** After 24 hours of negotiating, Burney phones Mulroney to tell him the terms have reached agreement. It is

less than an hour to the midnight deadline.

June 2, 1988: Mulroney and Reagan sign the final text of the trade agreement.

July 6, 1988: Parliament approves the pact in principle, 314 to 91.

July 20, 1988: Liberal Leader John Turner, trying to force an election on free trade, says that he has asked the Liberal-dominated Senate to stall the deal.

Aug. 9, 1988: The U.S. House of Representatives passes the trade bill, 366 to 40. **Aug. 12, 1988:** In Ottawa, the Commons begins final debate on the agreement, next step the Senate, which promises to stall the bill to force an election.

Dec. 31, 1988: Deadline for ratification of free trade by both countries, failing which the agreement may die.

—CHRIS BARRETT

A delicate challenge

Malcolm Fraser has not experienced any political doldrums this summer. In the April 30 provincial election, the Conservatives, under leader Gary Filmon, won 25 of the 85 seats in the legislature, reducing the long-governing New Democrats to 32 seats, while the Liberals claimed 28. Last week, the minority government introduced its first budget. Liberal Leader Sherrin Carmichael said that her

party would come when the house counted the Meach Lake constitutional accord. The Liberals are opposed, and, so far, the New Democrats are divided. The debate and final vote are not expected until next year. But in the first speech from the throne, on July 21, Filmon committed his government to introducing a resolution on Meach Lake during the current session and holding public hearings in the fall.



Filmon (left) and aide after the budget lies the controversy over Meach Lake

party would not support the budget. NDP leader Gary Doer did not say how his caucus will vote. But with both parties voicing strong criticisms of the budget, Filmon faces the most delicate challenge of his new government's first legislative session.

If the Tories survive the budget vote,

expected on Aug. 17, it will be largely because the opposition concluded that it was too soon to force an election. Still, Filmon's path through the 34th legislature will be strewn with other potential pitfalls—from the unpopularity of cabinet ministers who can cause a government to lose its house backbench MLCs from rural Manitoba who have strong right-wing views. But Filmon's biggest

Last week, the budgeted 65-year-old Filmon, a former Winnipeg businessman, defended his budget. It contained \$4.5 billion in government spending and tax increases of more than a litre for gasoline and more cents on a package of cigarettes, while promising more money for health and education.

The budget of the present government also projected total government spending at about \$4.5 billion, included identical tax increases on gasoline and cigarettes and promised more funds for health and education. The main difference was that, last week, the Tories were also able to report a \$445-million windfall from increased tax revenues from Manitoba's mining, manufacturing and federal transfer payments to

provinces announced by Ottawa this spring. The result was that Premier Sherrin Carmichael projected a deficit of \$106 million.

Around the legislature, however, the most intense discussion took place about tactics, not the substance of the budget. Some strategists have told Filmon's that the party is not eager to fight another campaign. But Doer could be forced to vote against the government over a matter of philosophical disagreement. The NDP opposes the government's transfer of funds from public day care to privately owned day care centres and budget cuts at the provincial bureau that monitors pay equity in the public sector.

Conservatives' Liberals, whose election gains were largely at the NDP's expense, are anxious to capitalize on their momentum. In July, Carmichael expressed reservations about forcing an early election, but the new step that last week's budget may justify bringing down the government. Doer, who called the budget "the beginning of the Tories' slow reversion of their right-wing agenda," did not say how the NDP would vote. But Filmon's "The opposition parties have taken a cynical position and are leaving the government and the public dangling."

Since the election, the NDP has attempted to distance itself from the Liberals by portraying Carmichael as a supporter of the government. In late July, Doer charged in the legislature that a Hudson Bay Mining and Smelting Co. Ltd. scuttler in Pin Point, Man., was handling shipments of toxic materials from the United States that were harmful to workers. During the ensuing debate, Carmichael defended both the government and the company. But Carmichael was undercut when Environment Minister Edward Conway later issued a step-wise order.

On occasion, however, the NDP's criticism of Carmichael has backfired. Earlier this month, NDP backbencher Jim Maloway called the Liberal leader "Attila the Hun"—a reference to what he perceived as Carmichael's conservative leanings. Attorney General James MacKay came to Carmichael's defense, accusing Maloway of using sexist language. Maloway later apologized.

In spite of Filmon's tensions hold on power, many political observers believe that he is firmly in charge of the government. But the province's premier of political science at the University of Manitoba "Filmon seems much more in charge than he ever did as leader of the opposition." These leadership qualities will be tested in the coming weeks as Filmon tries to outmaneuver a hostile opposition.

—DORIS WATTS in Winnipeg



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Feder Gulf at anchor in the St. Lawrence rapids with some equipment

The ship to nowhere

From afar, the ship looks like a tramp steamer in a 1940s B-movie. The rusted and battered Mexican-registered Feder Gulf has been riding at anchor in Lake St. Francis, 60 km up the St. Lawrence River from Montreal, since June 22, when the first of several seizures put a coast order and federal authorities seized the vessel. And while the ship's owners seek through a growing mass of legal and mechanical problems preventing its departure, there were indications last week that the ship may move into Montreal harbor. Still, the ship's captain and the 11 remaining Mexican crewmen live amid the stench of rotting garbage piled in bags on deck. They have limited fresh water, poor food and no psychology and are not allowed shore by their captain. Denied federal investigations after Donald Lescault, who boarded the vessel last week. "It is an appalling situation."

Indeed, the vessel's predicament has made the crewmen virtual captives of their employer, Flota Maritima Mexicana of Mexico City. The members of the original crew of 37—salty, tired and unpaid—left Montreal by plane at the company's expense on July 28. Of the six men left to replace them, two looked ill, the ship, refused to work and returned to Montreal, where they asked the Mexican Consulate to force the company to fly them back home as well. Since the ship arrived in Canadian waters, at least four seizures—including Montreal-based Naviserve Inc., which chartered the ship, and another that allegedly has not been paid for bunker

fuel—have filed claims in the Federal Court of Canada totalling some \$300,000. And a Canadian Coast Guard inspection last month revealed 24 infractions of safety and equipment standards, which must be fixed before the ship will be allowed to sail.

The Feder Gulf's troubles began shortly after it arrived with a cargo of steel coils from Yugoslavia, which it



Crew members aboard ship: showers in the dark

unloaded in Valleyfield, Que., on June 16. When the first claim against the vessel was filed on June 22, the Federal Court issued a warrant of arrest and ordered the ship not to leave Canadian waters until the dispute was settled. Other claims followed.

Coast guard officers who boarded the Feder Gulf July 22 found rusted or broken equipment, seawater-damaged pumps and compressors, frayed cables, rotting

fire hoses, inadequate life-boats, and a number of hatches and doors that were not watertight. De-stated Yves Haude, the coast guard's regional manager of ship safety. "We consider the ship to be unworthy. My inspectors said this was one of the worst they had seen."

An ill, living conditions on board were appalling. Crewmen were using buckets of polluted lake water to shower in an unlighted room, and many had not had a change of clothing for weeks. Montreal's Sun Youth organization arranged to have food and clean clothing sent to the ship, but said Sun Youth co-worker Victor Manuel Rodriguez "That company is taking these guys for a ride—the conditions they live under are inhuman."

Send veteran sailor Francisco Carcano, 41. "In 27 years at sea, I have never been on a ship like this one." Added Victor Gasson, 35: "The food is terrible. We have nothing to do, and I haven't been paid for 3½ months." The pay for most of the sailors is a meagre \$6 to \$7 a day. Still, Carcano and his mates, whose families in Mexico depend on them for support, said until recently that they would have a better chance of getting their back pay if they stayed with the ship until the end of the voyage.

There were signs at the end of last week that the Feder Gulf might at last be able to move north to dock at the Port of Montreal. The ship's owners have posted substantial bonds with the Federal Court. The largest, a \$225,000 bond related to the claim by Naviserve Inc. of Montreal, the charterers, was posted pending a longer-term resolution of its financial and legal disputes with the owner. Sailors began minor repairs on board, but much of the major work, which Haude estimated would take two to

three weeks, will have to be done on port. However, Robert Cygan, a Montreal lawyer representing the owners insisted, "This is not a fly-by-night operation, and the owners are committed to getting the ship back to sea as soon as possible." For the 12 seagoing crewmen living aboard the Feder Gulf, that was a promise they hoped would be kept.

—MICHAEL ROSE in Montreal



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The Spring That Died

By Peter Rehak

Peter Rehak was born in Bratislava, Czechoslovakia, 30 years ago and came to Montreal with his parents at age 13. He returned to his native land as Associated Press correspondent in Prague for a critical six months between August, 1968. Returned with awards from the Overseas Press Club of America for his Prague reporting, Rehak returned to Canada in 1970 and works as executive producer with CTV's public affairs program *W5*. His first book, *Undercover Agent*, will be published in October.

Just before 2 a.m. on Aug. 21, 1968, the high-pitched sound of aircraft landing in quick succession at Prague's Ruzyne Airport shattered the stillness of the summer night. Soviet paratroopers burst out of the planes and seized the airport. Within the hour, columns of Soviet tanks from East Germany and Poland marched into the city, their swarming engines splitting the air. At least, faces into the night air. By dawn, every major artery and bridge was occupied. The invaders came to crush the Prague Spring—a brave experiment in independence that was characterized then by the slogan, "Socialism with a human face." That flirtation with freedom had made an oppressed nation light-headed on hope. And, still, it was so cruelly repressed, that hope ignited the indignation of the world.

Rehak: I had been reporting on the Prague Spring since April, and to me it was a story that you did not just cover, you lived it. In a sense I am living it still—especially now, on the 30th anniversary of the invasion and at a time when the hopes stirred throughout Eastern Europe by the Prague Spring have been rekindled by new leaders espousing new reforms. It was easy to become infected by the zeal for life evident everywhere in Prague, 1968. This was particularly true for me because I had been born in Czechoslovakia. I grew up in Canada but I still know the language. I knew some of the land's history, including the years of occupation by Nazi Germany and the 1948 takeover by the Moscow-supported Communist regime, whose successors still rule the country. I felt a special affinity for the land of my birth.

The world's attention was riveted on Czechoslovakia then because it seemed that democratic developments there might set a pattern for all of Eastern Europe. The country's new

leaders were trying to move closer to its traditional liberal roots while remaining in the Communist camp. But the big question was whether the Soviet unions—and their increasingly nervous allies in other capitals of the Warsaw Pact military alliance—would accept the changes that brought political debate, granted economic reforms and inspired cultural creativity. Soviet arms had been used to quell dissent in East Germany in 1953 and in Czechoslovakia in 1968. But in 1968, after months of tension, it seemed by mid-August that Moscow had resigned itself to the reforms introduced under Alexander Dubček, leader of the Czechoslovak Communist party since January.

The invasion started even the experts. Taken from from Poland, East Germany, Hungary and Bulgaria—but not from Romania, which had been free of Soviet forces for 13 years—joined the operation. As people took to the streets shouting "Go home!" to the occupying army, they removed road signs to confuse the invaders and dented their food and water. A general strike forced the Soviets to negotiate with Dubček, who had been exiled all to Moscow. President Ludvík Svoboda, a 70-year-old hero of the Second World War, refused to sanction a pro-Soviet puppet government. The state-run radio and television remained on the air for days in support of the resistance. About 300 civilians were reported killed by the invading forces.

Powes: It is hard to imagine 30 years later why Moscow acted in the way that it did. But in 1968, the words glossier and perestroika—agencies and retroactive—had not yet entered the political vocabulary. Leonid Brezhnev was in charge in Moscow, and his allies were the desperate old men whose power dated from the Cold War's beginnings. The most vocal opponents of the Prague reforms were East Germany's Walter Ulbricht, the gaunt Russ who had built the Berlin Wall in 1961, and Wladyslaw Gomułka, the authoritarian who ruled Poland then. They clearly saw the changes in Prague as a threat to their own regimes.

Dubček's "Action Program" proposed freedom of speech and freedom for all citizens to travel abroad. To show that he meant what he said, Dubček lifted state censorship. Almost overnight, newspapers, radio and television reported gay deaths of the Students' past and recent economic misdeeds. I arrived in Prague just before May Day, the traditional time to show off military and political might by parading troops and placard-carrying workers. But the show on May 1, 1968,

was like no other such parade. It was a show-in between the people and the new leadership. Old men in the long-tailed uniforms of the Czechoslovak Legion, which had fought against the Bolsheviks in Russia in 1917, marched past with members of Sokol, the nation's largest gymnastics association, and the boy scouts—both outlawed since the Communist coup in 1948. Adding to the "new look" were marchers from



Prague in August, 1968: Dubček (left) in his garden (not visible) chose in the streets

the association of former political prisoners.

It was little wonder that Dubček faced pressure. By May, the Soviet Politburo had considered his reforms as "revisionist." Ulbricht was campaigning to station Soviet troops in Czechoslovakia. And all five hard-line countries—the Soviet Union, East Germany, Poland, Hungary and Bulgaria—framed off a joint letter finally demanding that Dubček deal with his "right-

wing antisoviet forces," renounce ownership and restore "party unity." Dubček replied that Stalinism did the party more damage than anything he was doing.

Soviet troops crossed the border at the end of May for "measures." On Aug. 21, Soviet and other Warsaw Pact officials met Czechoslovak leaders in the Slovak capital of Bratislava and hammered out an agreement that seemed to end the crisis. The Soviet troops withdrew. People relaxed and went on vacation.

Dead: Very early on Aug. 21, as I was having a postmidnight nightmare with three of my journalist colleagues in the Aleron Hotel, where we all lived, we heard the unmistakable note of the military plane landing. We looked at each other in disbelief and I picked up a small portable radio. I just caught the words "an important announcement from the Central Committee" before the transmission went dead. I charged down several flights of stairs and heard the rest of the message in the hotel's garage, where the *rs* system was hooked into Radio Prague by a direct line—a common setup in public places. Whoever stopped the car—*rs* transmission had been cut out of the system. And there was no mistaking the message that the country had been occupied. I darted to the Times machine and dialed into the Associated Press network. I didn't know it then, but it was the first word of the invasion in the West.

Rehak: By dawn, the city was in chaos. Tanks and armored cars rolled down the narrow streets and sidewalks. All the country's transportation systems had stopped. There were hundreds of foreigners in Prague. An international proletarian congress had been under way. It had a meeting of a multiple editors' association whose participants included Shirley Temple Black. My wife, Louise, who had arrived a few days before the invasion with our baby, Anna, crowded up the Kenner Hollywood hotel stair for an interview. A few days later, they all left in a convoy of foreigners escorted by the U.S. Marines. Despite the shockwaves surrounding it, Dubček, the Prague Spring had ended. The country had paid a heavy price. Aside from those who died, as many as 30,000 people left for the West, mostly professionals and intellectuals—and those who remained behind found years of oppression.

The extraordinary message of the invasion was that a small country in the center of Europe should not try to achieve its dream of independence, but to attempt liberalization before it came to the Soviet Union itself. And even now, in the days of glasnost and perestroika, Moscow—and in neighboring Hungary—there is no rush for reform in Prague. And who can blame the people who lived through the Prague Spring, and who watched it die?

The Scent Of Freedom

It is a scene that would have been unthinkable just two years ago. At 10:15 on a midsummer morning, the weekly trading session of the Budapest stock exchange is declared open. Casually dressed businessmen and women seated around an oval conference table in a modern office black robe buy and sell stocks and bonds as chief trader Erika Tunkösi calls out their names. The frantic, noisy bidding that characterizes the trading floors of Western exchanges is absent—but the Hungarian traders are no less riveted by their task. Precisely 30 minutes later, the session is over, and officials count up their morning's work. \$620,000 worth of securities have changed hands. Says Elena Hardy, the 33-year-old head of Hungary's Securities Exchange Committee: "Of course, it's a modest beginning. But you must remember: we have to learn to do business all over again."

The session has revolutionary implications for Hungary and the five other Eastern European countries devastated for four decades by the Soviet Union. Hungary abolished stock trading and other capitalist practices in 1948, soon after the Communist party took power. But in January, Budapest opened the only exchange in the Communist world, and officials now ambitiously talk of compensating its operations next year with financial help from the World Bank. Encouraged by Soviet leader Mikhail Gorbachev's bold policy of political and economic reform, Hungarians are forging ahead with changes that will move their society much closer to a Western-style market economy with a greater degree of political openness.

Comies: The Hungarians' eagerness to emulate Western models at times has an almost comic side, early this month, Prime Minister Károly Grósz just back from an 11-day visit to the United States and Canada, declared that his country wants to build Eastern Europe's first Disneyland.

Throughout the Eastern Bloc, the Gorbachev-inspired Soviet innovations are being closely

watched with a mixture of hope and caution in a region that is home to 115 million people. The Soviet Union's leaders, once the unbending enforcers of socialist discipline in their Eastern European vassals, are now goading their allies to embrace reform. Hungary, traditionally the pacesetter of change in the region, has been the most eager to respond, with Poland not far behind. But other countries have been much slower to follow—or, in the case of Romania, have rejected the new course altogether. East Germany and Bulgaria, with their aged, conservative leaderships, have taken only tentative steps toward liberalization.

Like: The new winds from Moscow are felt most sharply in Czechoslovakia, where the people this week are peacefully mending of a poignant anniversary. Late on the night of Aug. 20, 1968, Soviet and other Warsaw Pact troops marched into Czechoslovakia and put an end to the most sweeping reforms ever attempted in the Soviet Bloc. Two decades later, some Czechoslovakians now look to Moscow with hope. Bohuslav Janda, a leader of the dissident Charter 77 group—founded in 1977—told *Weekend* "I never thought I would praise any Russian leader. But Gorbachev is at least on the side of life—while the leadership here is still trying to uphold a system of death."

As Eastern European leaders grapple with the revolutionary changes sweeping the Communist world, they are working against a backdrop of severe economic difficulties—and increasing isolation in their own camp. Hungary and Poland, belated of the experiments, have to deal with high inflation and foreign debts that threaten to cripple their attempts to modernize. East Germany and Czechoslovakia are grappling with stagnant, inefficient economies that no longer produce the impressive growth rates that once ensured relative prosperity and bought social peace.

Crisis: In Romania, living standards have dropped sharply and political repression has increased as President Nicolae Ceausescu warms his country into almost complete isolation. Throughout the region, dissident groups are pressing for political reforms to match the economic changes. And while the Soviets once ensured that their allies maintained a facade of unity, they are now squabbling openly over economic, ethnic and environmental issues. Says Alan Smith, senior lecturer at London's School of



Gorbachev, wife Raisa, in Poland last month, watching Soviet reforms with hope and caution.

Slavic and East European Studies. "There is an economic, political and social crisis coming in the East. In many ways, it has already arrived."

The outlines of that crisis could be readily seen during tours of Hungary and Czechoslovakia, neighboring countries that have responded to change in dramatically different ways. Both suffered a brutal invasion from the East: Czechoslovakia in 1968 and Hungary in 1956, when Soviet tanks crushed an anti-Communist revolt and deposed the government of Imre Nagy, who had taken his country out of the Warsaw Pact. In both Budapest and Prague, shop windows are full, both countries offer their citizens relative prosperity in Eastern Bloc terms, with few shortages of essential goods. And leaders of both countries acknowledge that change is needed if they are to avoid slipping further behind the West. But the differences between the economic and political climates in the two countries are much more striking than the similarities.

Profits: In Hungary, which has enjoyed the most liberal atmosphere in the Soviet Bloc for the past 30 years, the pressure for reform in the Soviet Union has encouraged the government of Prime Minister Grósz to be much more liberal than even Gorbachev has dared. "In the past, we often encountered incomprehension from our allies when we wanted to make changes," said Erőd Horvath, a senior official of Hungary's foreign ministry. "Now, the wind is behind us. We do not have to explain." The leadership's determination to introduce reforms quickly recalls party from Hungary's impending economic crisis. Servicing the country's foreign debt of nearly \$28 billion (by far the highest per capita debt in the Eastern Bloc) absorbs much of its

economy. British Prime Minister Margaret Thatcher is more than to those of Karl Marx. And Grósz himself has spoken in language strikingly reminiscent of Thatcher's lectures to the British people. "State authorities must cease acting as parasites," he said in a speech this spring. "and leave decisions to the enterprises and individuals."

Unrest: Such plans, however, will affect economic life on many ordinary Hungarians, already agonized by inflation, running at an annual rate of 15 per cent, and the first income tax in the Communist world (the top rate is 60 per cent). Party leaders estimate that up to 100,000 people will lose their jobs—while World Bank experts say the number is more likely to be 300,000. In a society that has offered guaranteed employment as one of the trademarks for individual freedom, that could well mean widespread social unrest. Says Martin Tardos, a professor at Budapest's Karl Marx University of Economic Sciences. "In principle, everyone wants reform. But there will be losses as well as success. Factions will arise, and others will have to fire workers. It is hard for many people to accept."

The economic changes have fueled demands for political reforms as well. Hungarians' intellectuals, like those in Poland, already enjoy a wide degree of liberty; they openly criticize the government with little fear of retaliation and can publish their views with relatively few restrictions. Many were encouraged in May when two of the Communist party's most outspoken reformers, Imre Pozsgar and Gyula Háy, were named to the ruling Politburo. Pozsgar, they noted, joined in the debates last September at a meeting of the Democratic Forum, Hungary's most important dissident group, and has openly speculated that the country



Grósz: Rights and Democracy

might shatter its one-party system—previously unthinkable in a Communist-ruled country. Few expect Hungary to go that far, but they say that the country might well see a more open future within the Communist party. "They must acknowledge the link between free economics and free politics," says Miklós Huzar, an editor of the unofficial journal *Beszélő* (roughly *Speak Out*).

Ghost: Even in Hungary, however, there are people who openly challenge the Communist party's political monopoly on quickly run into trouble with the authorities in June, police broke up a demonstration of several hundred dissidents and detained several of their leaders. Other critics have been denied passports—something not permitted by law to deny Hungarian citizens. In late July, six people associated with Szabó and an independent artists' group called *Intermedia* staged an eight-day hunger strike in a rundown apartment building barely a quarter of a mile from Central Committee headquarters in downtown Budapest to protest being refused passports. But even they were surprised when dissidents contacted on their action during his U.S. trip, and the state-controlled newspapers reported the dissidents' complaints. "Before, we would not have been able to get our message out at all," said Ferenc Kesztes, a bearded *Beszélő* editor who last 15 is during the hunger strike. "At least now they talk about it. That is progress of a sort."

Plans that mark progress, however, are nowhere to be found in Czechoslovakia. In sharp contrast to the relatively open political atmosphere of Budapest, Prague remains gripped by a climate of stifling conformity—and haunted by the ghosts of 1968. Western diplomats, other foreigners and critics of the government are under tight surveillance, their telephones tapped and their meetings monitored. Ordinary Czechoslovakians with critical views take elaborate precautions to avoid being overheard—such as switching restaurant tables until they are sure that no one is close enough to hear a conversation. The official news media remain bastions of uncritical orthodoxy; by contrast, Soviet publications are eagerly sought up because of their lively debates. "We have to get to the newsstand early in the *Pravda* these days," said one Prague resident. "Everybody wants to know what's happening in Moscow."

Czechoslovak officials acknowledge



the need for change—at least in the economic field. They say that their country's economy badly needs to be restructured—but they note that, unlike Hungary's, it is on the edge of crisis. Foreign debt stands at just over \$30 billion, and inflation has been held to just one or two per cent a year. But many planners say that they are concerned by stagnant growth rates—and they add that there has been little change since such heavy industries as steel-making were expanded in the 1950s. Says Karl Dyla, senior researcher at Prague's Institute of Economic Forecasting: "We are still running the same economy we built 30 years ago. But now it is completely obsolete, so naturally we cannot compete with the West."

In response, the government plans to gradually introduce economic reforms to let enterprises operate more independently of central planners—but it does not intend to put the whole plan into effect until 1991.

Disgrace: That ultracautious approach is even more marked in political reforms, where the Czechoslovak Communist party has not introduced any significant initiatives. Dissidents and other critics say the reason is that the same old men in the party, including General Secretary Karel Dubek, are the same ones who collaborated with the Soviets 30 years ago to snuff out the Prague Spring initiated by Alexander Dubček—whose reforms were in many ways similar to those now enthusiastically advocated by the Soviet Union. Indeed, Dubek himself headed the party committee responsible for vetting membership from 1960 until 1977 and personally supervised the party's purge of some 400,000 supporters of Dubček, who now live in official disgrace in the southern city of Bratislava. Czech author Josef Štefánek, who has lived in Czechoslovakia since he left Czechoslovakia 30 years ago and has just published a collection of essays that deal with his experiences, takes Miklós Huzar, told *Maclean's* that leaders of the Prague government are now in an awkward situation. The Soviets, he pointed out, are urging them to implement changes very similar to those that they enacted in 1968. Štefánek, a professor of English at the University of Toronto, "All the things that Gorbachev is trying to do—such as increase freedom and start economic restructuring—these were all the main ideas of the Dubček era. So you can imagine being in the government's shoes. It's very embarrassing."



Cheering reform in Warsaw

As a result, Czechoslovakia's Communist party has wrestled an open debate on the 30th anniversary of the Warsaw Pact invasion. In several interviews with foreign journalists earlier this year, Dubček, now 66 and recently retired from a job as a literary clerk in Bratislava, argued that there was a "deep underlying conflict" between his reform and Gorbachev's policies of glasnost (openness) and perestroika (restructuring). *Štefánek*, the party daily, admitted with ill-hesitant denunciations of Dubček—and former dissidents that any such link existed.

Silence: In conversations with Czechoslovak officials early in August, members of the 1968 anniversary created an embarrassed silence—or with veiled statements to discuss its significance. Štefánek, senior spokesman of the chief government spokesman: "We have no very important issues at hand that I do not think that is very relevant to the work of the government." Václav Havel, a retired editor-in-chief of *Reda* Press, offered a more straightforward explanation: "The difference between perestroika and this new idea that we do not see in contradiction with the Soviet Union. This is a very important."

Striver: Despite the severe restrictions on independent political activity, the Czechoslovakian government has found a fresh challenge from an unexpected source: the Roman Catholic Church. Last fall, a group of Catholics in Moravia organized a 30-day petition calling on the government to abolish restrictions on the free practice of religion. Prague's archbishop, 89-year-old Cardinal František Tomášek, led the action, and religious activists say that about 300,000 people had signed the petition by the end of July.

The government has responded to the growing Catholic resistance with violence and arrests. In March, riot police in Bratislava used a water cannon to break up a demonstra-

tion of about 2,000 Catholics, many of them elderly women. While the leaders of Czechoslovakia and Hungary grapple with their internal problems, they and the other Eastern European countries have severe studies in relations among them. National and ethnic tensions, once suppressed by Moscow's strict supervision, have come to the surface. In Bulgaria, authorities have arranged a mass drive to force all the country's estimated one million ethnic Turks to assimilate completely. Turkish dress has been banned, as have Turkish schools, publications and even names.

Severe: But by far the most bitter dispute is that between Budapest and Bucharest over Romania's treatment of the 1.5 million ethnic Hungarians in its Transylvania region. Hungarians are enraged by Romania's plan to bulldoze 7,000 villages in Transylvania and relocate their inhabitants, an estimated 500,000 people. Hungary claims that the policy will destroy Hungarian culture in Romania—and in June, several thousand people protested outside the Romanian Embassy in Budapest.

The breakdown in relations between the two national Warsaw Pact allies is the most severe ever in the East Bloc. Last year, it led Hungary to take the unprecedented step of sponsoring with Canada a resolution on minority rights at the ongoing Vienna conference on security and co-operation in Europe.

The Eastern European countries face a crisis, as well, in their economic dealings. All are members of the Council for Mutual Economic Assistance, or Comecon, but trade among them has stagnated for the past several years. One problem their governments are not convinced, so that trade must be carried out through an elaborate and clumsy barter system. Dyla, the Prague economist, said that reform of Comecon

is essential, and we have more freedom and democracy.

One-party government: The word is a political system that would be a theory in a world that is a reality, but in practice, that does not necessarily mean that the theory is wrong. The Soviet system is not the same thing as Hungarian socialism, and I think that when we try to carry out the theory in a different way, it is only that that we can see of the theory in a different way. I think we are not too late, because experience had about 90 years of history. As for the establishment of a multiparty system, this is not simply today in Hungary. At the same time, we will submit to parliament a bill on the right of association. But of course it is impossible to say today what the impact of the creation and co-operation of different associations will be on the political community and on politics.

Hungary's future: Hungary is a country that is more dynamic, in the forefront of scientific development, whose economy can adapt to the fast-changing world economy, and which makes the best use of its human and material resources; a country characterized not by ha-



Czechoslovak workers, Gorbachev's new friend from Moscow

The 'Grósznost' text

During a Toronto visit on July 25, only 15 weeks after he became general secretary of the Hungarian Socialist Workers' Party, Hungary's prime minister, Károly Grósz, addressed The Empire Club of Canada and answered questions from reporters, including *Maclean's* Assistant Editor Heather Knapp. Excerpts.

East-West relations: We have today are part of a major change in the world. We see a world emerging in which it is not the military, it is not sheer force but co-operation and friendship that will gain the upper hand.

Hungary's future: We envisage a Hungary which is more dynamic, in the forefront of scientific development, whose economy can adapt to the fast-changing world economy, and which makes the best use of its human and material resources; a country characterized not by ha-



Members of the Young Communist League commemorate Lenin's 1912 climb on Cracovskova's Mount Kopec: "we can wait."

could take place only after its member countries carry out economic reforms at home. And Dyke, "A real common market, like the one in Western Europe, is incompatible with central planning in each country. You have to abolish it and go to a market-driven economy so that you can have free relations among countries as well."

In addition, environmental issues have strained relations among the Eastern European nations. While concern for the environment has long been at the forefront of public debate in advanced Western countries, the Socialist Bloc joined economic growth shows off—and did not permit an independent ecological movement to develop. The result: air and water pollution are far worse than in Western Europe.

Problems: East Germany and Poland have long complained about air pollution from southern Czechoslovakia; residents of the northern Bulgarian city of Blagoevgrad have suffered chlorine poisoning from Bulgarian factories on the other side of the Danube River; and Czechoslovakia has complained that Hungary is dragging its feet on a joint hydroelectric project elsewhere on the Danube that may change the ecology of the river valley.

At the same time, inde-

pendent groups dedicated to protecting the environment have sprung up in several Eastern Bloc countries. Earlier this year, protests by several thousand people persuaded the Prague government not to build a power station in an area that environmentalists said could be easily damaged. Šed Václav Hlad, a Catholic priest in Prague who lost his license to preach for his active support of the Charter 77 group, "That kind of viable success can encourage other people to speak out."

Still, Italy and other dissidents caution that they do not expect quick change in Czechoslovakia or most other Eastern European countries. Aside from Poland and Hungary, there are few signs that their leaders are prepared to follow the spirit of Gorbachev's reforms—and few signs their popular unrest is widespread enough to force them to take quick action. "It is ironic that the Russians are now ahead in so many ways," said Janak, the Czechoslovak dissident leader. "But if communism has taught us anything, it has taught us patience. We can wait." With the gradual pace of change in most of Eastern Europe, that kind of patience will be badly needed—and sorely tested.

—ANDREW FRANKLIN in Prague with correspondents reports

From Footwear To Grain

Canadian trade with the Eastern Bloc—overwhelmingly grain sales—amounts to less than 5% of total of every \$100 worth of Canada's total two-way commerce. The 1987 trade is rounded in millions of dollars (total products traded)

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Romania	54 (engines)	57 (clothing)
East Germany	56 (grain)	34 (iron/iron fuel)
Poland	13 (clothing)	69 (textiles)
Czechoslovakia	14 (textiles)	64 (footwear)
Hungary	16 (chemicals)	47 (vehicle parts)
Bulgaria	35 (grain)	10 (clothing)

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Fresh Hopes—And New Fears

Three weeks ago, in the port city of Gdańsk, Lech Wałęsa spent an hour discussing Poland's politics and future with 40 students in the sanctuary of St. Brigid's Church. That meeting took place eight years after Wałęsa led shipyard workers on a strike that spread throughout the country in defiance of Communist authorities. By the end of that August, in 1980, then-Communist leader Edward Gierek—miffed that workers' riots had topped his predecessors in 1956 and 1970—made concessions to the Solidarity union movement that were unprecedented in the Soviet Bloc. Poland's workers won wage increases, new social benefits and greater freedom of expression. Now, after almost seven years in which Solidarity has been both an official policy and a decision-making agency for more democracy, Wałęsa provided the Gdańsk students with a modest assessment of the movement's accomplishments—and those inspired by Moscow's new recent reforms. Said Wałęsa: "We

have gained so-called individual freedom—everyone can say whatever he wants." But, he added, "we are not allowed to join in groups."

In fact, the government of Gen. Wojciech Jaruzelski has been negotiating with religious and academic leaders over proposals to permit the formation of new advisory "associations." But government spokesmen Jerzy Urban has also made clear that those still-modified groups will not be allowed to operate as political parties or independent mass movements. The government insists, belongs to the past, and there is no room in the Communist state for divergent political organizations. But Wałęsa, whose union has pressed in the past for free and democratic elections, told the Gdańsk students, "It is impossible to rule this country without pluralism."

Plan Poland's democracy was not part of the reformist promises sought by the accession of Mikhail Gorbachev to the leadership of the Soviet party in March 1985. But Gorbachev's policies of perestroika and glasnost offered Jaruzelski an opportunity to pursue reforms and to defuse his domestic opposition. The Polish leader embarked on an ambitious plan to decentralize decision-

making and introduce a market system. He put most factories on a self-financing basis and emphasized both private business and a reduction in subsidies for nonpaying ventures. Indeed, during a state visit to Poland last month, Gorbachev heaped praise on Jaruzelski, 55, telling his audience, "You are very lucky to have such a man at this complicated stage of Polish history—a man of high morality, of high intellectual capabilities, who loves his country, is devoted and is a great internationalist."

Still, some elements of perestroika—or pre-bureaucracy as the Poles call it—have encountered resistance in Poland. After years of low wages, shortages of food staples and long queues for available goods, Polish workers are unwilling to accept price increases that result from reduced subsidies as emendations. Indeed, last November, Polish voters rejected a program of economic reform and austerity in a national referendum. And after three strikes in April and May—the worst upheavals since the early 1980s—many workers may pay raises to match rising prices.

That served to fuel the inflation, which authorities admit could exceed 40 per cent in 1988. And Poland's \$40-billion foreign debt—the largest among Eastern Bloc countries—continues to grow because hard-currency earnings do not cover the interest costs of \$3.6 billion annually.

Party Polish intellectuals and dissidents blame the country's Communist party for the slowdown, saying that it fears any loss of power through further democratization.

And many workers complain that government-sponsored political reforms provide only cosmetic changes to an inefficient system. Moreover, they say that Poland's ability to undergo real change is severely constrained. And although Gorbachev assured Poles of their "sovereign rights" during his July visit, Wałęsa, for one, is unconvinced that the Kremlin has renounced the so-called Brezhnev doctrine of intervention in the affairs of Eastern Bloc countries. "If we revolted, they would use tanks against us," Wałęsa said last month. He added, "If tanks are not enough, then federalist assistance will come to help."

—ANDREW SALER with BOGDAN TURKIN in WARSAW



Wałęsa (in white shirt), Jaruzelski (below) negotiates



Shopping lineup in Brașov; Ceaușescu (below) 'against common sense'

Darkness With The Speed Of Light



In Romania, some of the most biting criticism is directed by critics at President Nicolae Ceaușescu and his powerful wife, Elena. The critics are angered by such schemes as the Politburo's plan to raise 7,000 rural villages, replacing them with new "agroindustrial complexes." Since seizing power in 1965, Ceaușescu has kept the country off \$2 million in a neo-Stalinist stranglehold, crushing dissent while the economy stagnates in corruption and inefficiency. Even so, the capital, power shortages are commonplace and fresh food is often in short supply. In the words of one latter Romanian, "Ceaușescu spreads darkness with the speed of light."

Causes With such a record, Romania should be a prime candidate for Soviet leader Mikhail Gorbachev's program of reformation, perestroika. But Ceaușescu has rejected such reforms, reaffirming his belief in central planning and political control. During a visit in May by Soviet President Andrei Gromyko, the state-run Romanian media conveyed Gromyko's speeches to remove all mention of perestroika—restructuring in Romanian.

Ceaușescu's differences with Moscow over reforms have only deepened a long-standing enmity between the Communist neighbors. A maverick in the seven-nation

Warsaw Pact military alliance, Ceaușescu refused to allow Soviet troops to be stationed in Romania. He broke ranks with the other pact members in their 1980 invasion of Czechoslovakia and again in 1979 by criticizing the Soviet invasion of Afghanistan. He was the only Eastern Bloc leader to defy a Soviet-led boycott of the 1984 Los Angeles Olympics.

His defiance made Ceaușescu popular with Western leaders for a time. But in recent years, amid reports of hardship and human rights abuses in Romania, Western attitudes have hardened. In April, after persistent criticism at Washington of his human-rights record, Ceaușescu renounced most-favored-nation trading arrangements with the United States—an action that could cost Romania dearly in desperately needed export earnings.

Debt: At the same time, the 59-year-old leader pursues an obsessive drive to reduce his country's foreign debt. Since 1982, Ceaușescu has limited imports, restricted energy use and curtailed much of Romania's best goods and facilities. The policy has succeeded in shrinking foreign debt to about \$4 billion from \$52 billion, but only at the cost of privation at home. In winter, people are prohibited by law from heating any residence above 18°C—at little as 12°C in some areas. A nuclear regulation imposes a limit of one 40-watt light bulb per room.

Quadrillions in the outlying counties are even worse. Western tourists who returned recently from the eastern region of Moldavia reported being harassed by undernourished children begging for food, in many regions food rationing is in effect. Ceaușescu's plan to demolish 3,000 Transylvanian villages has angered local ethnic Hungarians, who form the area's largest political group, and brought an unprecedented protest from the Hungarian government. Two other neighbors, Bulgaria and Yugoslavia, have protested the pollution of the Danube River by Romanian factories.

Foreign visitors say that discontent with Ceaușescu's regime is palpable, but few Romanians dare to speak out. The accurate, the country's pervasive internal security services, keeps a close watch on dissidents. A riot in the central industrial city of Brașov last November, the worst outbreak of antigovernment sentiment in years, was quickly suppressed by authorities. "It is dangerous to participate in any demonstration," said a Romanian writer Levi Ceaușescu in comments published by the Paris newspaper *L'Express* last spring. "Pressure is exerted against all of us, the pressure of force directed against common sense. It drives everyone into opposition."

Scene: Few Romanians hold out much hope of change unless Ceaușescu dies or leaves office. And even then, diplomats say that Elena, 56—who sits at her husband's side on the seven-member Politburo and holds the post of first deputy chairman—might take over. Others say that Ceaușescu fears his son Nicu, 36, a senior party official, as his successor. A very job favored by Romanians expresses the depth of anti-Ceaușescu feelings: a group of people waiting in line at an engraving office to have his name on Ceaușescu's signature on the same. "If he's leaving," says one, "we're going to stay."

—MARTIN GISS with DEB MASTERSHEAD in Vienna



Prosperity Under Control



Bad weather chased vacationers from the seaside in many parts of Europe last month. But on the beaches around Rostock, on the Baltic Sea, thousands of East Germans stayed to frolic despite the pale-been winds and driving rain. Unlike their West German neighbors, who can afford to follow the sun to the Mediterranean, the East German vacationers had to take whatever pleasures their nations were prepared to offer them—and consider it a privilege. But as the frigid Baltic welcomed the countless swimmers, other East Germans were also on the move in unprecedented numbers. More than 1.5 million of them thronged to neighboring Eastern Bloc nations and at least 500,000 more were allowed to cross the heavily guarded border to West Germany for a fleeting look at life in the capitalist West.



Street art in Rostock; Honecker (below) subsidized living.

Beats! East German vacationers do not spring solely from a desire to sample the delights of Western consumer society. While the West German television programs that are beamed across the country daily offer a taste of life in the West, they also deliver a far clearer picture of Mikhail Gorbachev's heady economic and political reforms than most ordinary Eastern Bloc citizens ever receive. And Gorbachev's drive to trans-

form Soviet society has fueled strong expectations of change in the German Democratic Republic (GDR). So far, those expectations have been frustrated. The country's aged leaders have resisted Gorbachev-style glasnost and perestroika, openness and restructuring, on the ground that the present economic system—ratcheting decentralized industrial management and private enterprise in retail services—accounts for the needs of the 17 million East Germans that many estimate, who compare the new dawn in Moscow with their own leadership's refusal to let a same light, are growing impatient. "The quality of life in East Germany has not varied perceptibly in the past 28 months," said Barbara Danzawa, a Munich-based political analyst of East Germany. But, she added, "Gorbachev's promise of better things to come has driven home to people just how shabby, deprived and meagre their lives are today."

That impatience has not yet led to open criticism of 70-year-old East German leader Erich Honecker, who presides over a gasping economy—and one of the world's 30 leading industrial powers. Under his guidance, East Germany spends about one-fifth of its budget to subsidize everything from housing, food and clothing to vacations, culture and sport in an effort to ensure that no one lacks what the regime deems essential to the good life. Such efforts have given the nation the highest standard of living in the Eastern Bloc. Health care is as good as any in the world, and day care services surpass most Western systems. Indeed, some Western analysts argue that Honecker is not entirely wrong to resist abandoning—Germans for perestroika—because tampering could prove counterproductive.

Control Still, many East Germans say that they are enervated by the government's resistance to major reforms. "Even to the core, there is no getting around the need for restructuring," said Manfred Stolpe, a lay officer of the antipope East German Evangelical Church. And others seem to be eager for glasnost—Germans for glasnost—with its promise of political freedom. "What we object to is the state's end-to-end control over its citizens' lives," said one East German office employee who did not want to be quoted by name. "Anything that can change it wins our vote."

For now, these hopes are pinned on the possibility that Honecker might choose next year's 30th anniversary of the GDR's establishment on Oct. 7, 1949, to step down in favor of a younger, reform-minded leader. But nobody is ruling. Full-throated appears to endorse Gorbachev's heart-felt views, with the possible exception of Guntor Schabowski, a former editor of *Neues Deutschland*, the party newspaper. Moreover, the final choice, observers say, will depend on whether Gorbachev favors a hard-liner who will ensure that a stable East Germany remains Russia's foremost ally—or a reformer cut in his own image. And although the vast majority of East Germans would prefer the second alternative, the time has not yet come for them to be consulted as that crucial matter.

—ANN PILLARSON with PETER LEWIS in East Berlin



Traditional sowing scene in Lipovskaouda, Jizka (below): New incentives for hard work.

Dangerous Islands Of Independence



At the western end of Prague's historic Charles Bridge, the most striking structure is an exquisitely beautiful city, is a quiet square with a low, white-washed wall. During the past few years there appeared signs protesting the Soviet invasion of Czechoslovakia. But for the past several years, young Czechoslovaks have gone there for a different reason: they cover the wall with graffiti, poems and pictures mem-

orizing a man whom they regard with as almost only the reverence John Lennon. And each Dec. 8, the anniversary of the rock star's murder in 1980, hundreds of young people crowd the square on a candlelight memorial. Prague police attempt to discourage people from joining the crowd, and they regularly paint out the slogans on the wall and keep a careful watch on the square. But the graffiti keep reappearing. In Prague's tightly controlled atmosphere, the "John Lennon Wall" is one of the few opportunities for young Czechoslovaks to express independent views.

Danger By Western standards, such slogans as "Imagine" or "I am John" carry no obvious political meaning. But in Prague, where the authorities frown on virtually all independent public action, they have a wider significance. The "John Lennon Wall" is one of the few opportunities for young Czechoslovaks to express independent views. It is a danger.

Most Czechoslovaks, however, seek personal independence in a more private way. Only a handful actively support such groups as Charter 77. To do so would expose them to police surveillance, the loss of jobs or of educational opportunities—

highly prized in a country where shortages of housing, commodities can result in sudden shortages of necessities.

As a result, many Czechoslovaks participate in the country's flourishing black market—and expend considerable effort trying to obtain Western currency. Foreigners are permitted with requests to exchange Western money for Czechoslovakian currency at twice the official exchange rate—because most prized Western goods can be bought only in special stores that accept hard currency. In Prague restaurants, even packages of Western cigarettes are accepted more eagerly than Czechoslovakian money as tips.

Trade The man whose task it is to overhaul this system is Miroslav Jakes, general secretary of the Czechoslovak Communist party since last December. Jakes, 66, began his working career in 1937 as an electrician at a shoe factory run by the Jakes family, which later moved its headquarters to Canada. A Communist since 1946, he is widely associated with former leader who collaborated with the Soviets in 1968 to crush the ambitious reform program introduced by then-party leader Alexander Dubcek.

Western diplomats and others in Prague describe Jakes—who is married, with two grown sons—as a careful, colorless career manager. Spokesmen for dissident groups are more dismissive. As long as Jakes and his associates hold the leading positions in Czechoslovakia's Communist party, they maintain, the party's official position that the 1968 invasion was justified to prevent a restoration of capitalism will likely continue to be maintained. And there is virtually no likelihood that the type of political openness now seen in Moscow will soon come to Prague.

—ANDREW PHILLIPS in Prague

and possibly just. For the majority, personal freedom begins at sunrise in Prague, when many offices and shops empty. Tens of thousands head up their heads and head for the countryside. There, in thousands of tiny weekend chalets, Czechoslovaks create a sphere of personal enterprise—merely during the day, their garden plots are revivifying their rural retreats.

Weeks Some Czechoslovaks joke that if they worked as hard during the week as they do on weekends their country's economic problems would be solved. Indeed, the country's economic system offers few incentives for hard work. There is virtually no private enterprise and few opportunities to spend money. While the streets along Wenceslas Square and Prague's other main shopping streets are well-stocked with Eastern Bloc products, the variety is limited, and quality is generally low. And although Czechoslovakian enjoy one of Eastern Europe's

highest standards of living, commodities can result in sudden shortages of necessities.

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—ANDREW PHILLIPS in Prague

Images And Expectations



On a sultry summer Saturday, construction workers toil in the afternoon sun, building another block of luxury condominiums on Budapest's fashionable Rákóczi (Rosa Hill). With their red-tiled roofs, the new homes in the beautiful hills on the right bank of the Danube are reminiscent of up-market dwellings anywhere in the West. On the other side of the river, tourists crowd the city's fashionable shopping strip. Vase after vase, selling state windows jammed with expensive, high-quality goods. And around the corner, teenagers idling outside from their Western counterparts cram the Budapest branch of McDonald's—the first in the Eastern Bloc—where a Big Mac, French fries and soft drink are a bargain at \$1.70. Visitors to the Hungarian capital are struck by the city's alluring gloss of prosperity—seemingly a large-scale advertisement for market-oriented socialism. But far more of its two million residents, making ends meet as it becomes much harder in the post-year

With inflation running at an annual rate of 17 per cent, government economists acknowledge that real wages will drop this year by an average of some per cent. Many Hungarians already hold down two or three jobs—continuing an official day job with part-time work after hours and dabbling in the country's flourishing black market. The scale of that unofficial economy—which includes everything from unlicensed street vendors to construction workers building condominiums on weekends—is unknown. But economists estimate that it accounts for up to 30 per cent of national production.

Bygone In Eastern European standards, Hungarians enjoy an enviable lifestyle. On a blazing summer day, couples and families crowd the beach at the southern tip of Margaret Island in the middle of the Danube, shattering the image of a prudish socialist society. And compared with people in other Eastern European societies, Hungarians have considerable personal liberty. They are free to travel to the West—although they must obtain the necessary hard currency. This year, many are joining with neighbors in buying satellite dishes, on which they can receive three Western European

satellite channels in several languages. One, SKY channel, carries daily news and feature programming from Toronto's independent station CITY TV.

That easy access is part of Hungary's relatively open social climate—but it also fuels resentment that Hungarian living standards are much lower than those in neighboring Austria. Says one Western resident of Budapest:

"Hungarians do not compare themselves to Czechs or Poles—or to the Soviets. They have historic ties with Austria, and they want to live just like people there do."

Challenges. The challenge for Hungary's government, led by 58-year-old Prime Minister Károly Grósz, is to deal with those aspirations while persuading Hungarians to make the short-term sacrifices necessary to make the economy more competitive. Grósz scored a public-relations triumph last month during an 11-day visit to the United States and Canada. Some observers compared his open, frank style to that of Soviet leader Mikhail Gorbachev and began talking of "Gorbachevism"—a play on the well-known Russian word for openness, glasnost.

But domestically, Grósz's critics are more skeptical. They point out that he spent much of his career manipulating the news media to create a favorable political image. They also note that Grósz, who edged aside 76-year-old János Kádár to become general secretary of Hungary's Socialist Workers' (Communist) Party in May, was identified in the late 1970s with the conservative wing of the party. "Grósz is simply an ambitious, unprincipled politician," said Miklós Harsanyi, an editor of the official journal *Iskolák*. "He will make just enough political changes to make possible the economic reforms he wants. But he is not a reformer at heart."

Changes. But Grósz has created expectations among Hungarians that economic change will be accompanied by a more open political structure. Says Budapest economist Martin Doros: "You cannot expect people to make sacrifices without something in return. But the question is: why should people trust a government that has so badly mismanaged the economy in the past 10 years?" Grósz's difficult task is to gain that kind of trust.



Budapest railway station. Grósz (above), looking west.

—ANDREW FREELIFE in Budapest

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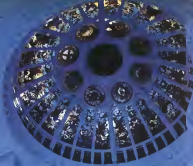
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BULGARIA

A Grudging Form Of Glasnost



For the past five years, many residents of Ruse, an industrial city in northwestern Bulgaria, have routinely unleashed choking and spitting because of chlorine gas escaping from a chemical plant across the Danube River in neighboring Romania. Some tried to move away, but Bulgarian authorities refused to let them. Cases of lung disease increased dramatically. The numbers of expatriate workers who immigrated also rose. Then, last February, about 5,000 people took to the streets in protest, and local writers—taking advantage of the Bulgarian version of glasnost—began reporting on the issue. But the government cautioned the independent, governmental movement and fired several top officials because of their connection with the protest. Still one Western European diplomat in Sofia. "The message appears to be that glasnost is all very well—but glasnost which is vigorously condoned and controlled by those in power."

When Bulgaria, traditionally regarded as the bloc's most strident follower of the Kremlin line, is lagging behind in executing Moscow's new wave of reforms, Bulgarian leader Todor Zhivkov, 86—who with 34 years in power is the longest-serving Communist head of state—has publicly enfolded major changes but carried out only modest ones at best. And opening his entrenched leadership has proven politically hazardous. Last month, 52-year-old Chakovskii, who was regarded as a possible successor to Zhivkov, was summarily dismissed from his position as the Communist party Central Committee—reportedly for advocating more sweeping reforms. And while the Bulgarian press is enjoying an unprecedented measure of freedom, direct criticism of the government is still not tolerated. "We can't pick up glasnost overnight," said Ivan Karamandjiev, head of the foreign ministry department in charge of the Warsaw Pact countries. "A graduality is needed in Bulgaria. But we are doing our best to give socialism a face-lift."

Bulgaria's best features are found in Sofia, the capital city. The boulevards are broad and clean, its sidewalks packed with well-dressed young people, its shop windows full of goods, especially clothing. Soviet tourists arrive in huge numbers to enjoy what they consider to be a consumer paradise. But in terms of political and social reforms, it is the Bulgarians who watch the Soviet Union under Bulgarian viewers follow Moscow's changes on a TV channel beamed in live from the

Soviet Union, and Soviet newspapers tell out instantly. But Bulgarians are still reluctant to talk to foreigners because they must report all such contacts to the police.

Right: Bulgaria's human rights record is also still clouded. In 1984, the government launched a concerted campaign to force the roughly one million ethnic Turks—about one-tenth of the nation's total population—to renounce by adopting Bulgarian names. Human rights organizations charge that hundreds of Turks were killed in the process. Turkish schools and publications are still banned. As well, most dissidents have been forced to emigrate or



Sofia market. Zhivkov (below) "doing our best to give socialism a face-lift"

have been hounded into internal exile in remote villages. And one dissident-in-exile, speaking privately in London: "They don't tell you. They just make life intolerable."

Economic changes have produced mixed success. Foreign business sources say that deals in the making for years are finally being completed. But attempts to introduce private enterprise have largely failed, because politicians suddenly have reverted, with businesses reverting back to the state.

Face: There are no indications that Bulgaria's pace of change will pick up soon. Zhivkov had been grooming his daughter, Ludmila Zhivkova, to replace him, but she died unexpectedly in 1981. The official cause was leukemia, although rumors persist that the Soviets, angered by her expressed desire for more independence, had a hand in her death. A cult, based on her memory, venerates her to an extent never enjoyed by her father. Still, Zhivkov—measured in his political home on the outskirts of Sofia—appears to be firmly in control, presiding over his own brand of grudging glasnost.



—BOB LEVINS with SUE WATKINSON in Sofia

Dependence And Suspicion

Even in the era of glasnost, it was a controversial assertion in a speech to Communist party members at a congress in early 1986, less than a year after he took power, Soviet leader Mikhail Gorbachev made his first public reference to relations with other socialist countries. Declared Gorbachev: "We do not see the diversity of our movement as a synonym for diversity, much as unity has nothing in common with uniformity—or the striving of any party to have a monopoly over what is right." That remark, from the leader of a nation that has intervened militarily over the years to put down internal uprisings in allied Communist countries—East Germany in 1961, Hungary in 1956 and Czechoslovakia in 1968—was greeted suspiciously by many observers. Declared one Moscow-based Western diplomat: "At the time, it sounded like pie-in-the-sky nonsense." But, he added, "today, it is a little more possible to believe him."

Troops: After three years of 18 under Gorbachev, Soviet relations with other Eastern Bloc countries have become a curious blend of dependence and suspicion. The Soviet Union remains the largest trading partner—and consumer market—of each of the other six Eastern Bloc countries. At the same time, Moscow's influence in the region is diminishing as a result of new Soviet policies emphasizing increased internal production. But while the so-called Soviet satellites are allowed increasing control of their internal politics, an estimated 600,000 Soviet troops are still stationed in all of those states except Romania. And, despite the apparent strength of the Warsaw Pact, many Soviet officers privately doubt whether other Eastern European troops would be loyal to them in battle.

That ambivalence is reflected in the attitude of average Soviet citizens toward their allied European neighbors. Many Soviets line up for hours at shops when such highly sought-after items as Bulgarian apples and tomato juice, Hungarian chickens and Polish leather products are available. In public, Soviet officials treat their counterparts from Eastern European countries with elaborate politeness, sometimes beginning and ending the same sentence with the word *tovarishch* (comrade). But Eastern Bloc diplomats, journalists and business executives, like their Western counterparts, are afraid to live in apartment blocks that are riddled for burglars, surrounded by barbed wire and guarded by police services. And privately, many Soviets look upon other Eastern Europeans

with disdain, claiming that any warmies experienced by them result from Soviet generosity.

Lavens: Until recently, that generosity was a unifying force. From the early 1950s, the Soviets exported oil and gas to their allies under long-term contracts at lower prices than those available from non-Bloc countries—a practice estimated to have cost Moscow more than \$50 billion in subsidies during the 15 years through 1984. As well, because Eastern European money, including the Russian ruble, cannot be converted into other foreign currencies, it was easier for Eastern Bloc countries to deal with one another. Now, a decline in world oil prices, coupled with an end to Moscow's export subsidies, has removed an important Soviet economic lever with its neighbors.

But the Kremlin will not likely relinquish its role as



Molotov, Jaki, Gorbachev, Janaszak, Gerasimov, Zhukov, Geras of Warsaw (seated). (Library)

the dominant decision-making force of Eastern Europe. Some observers say that Gorbachev's general policy of noninterference arises largely from his preoccupations with severe domestic problems. And that policy has yet to be tested seriously by any official defense of communist doctrine in the satellites.

Glasnost: Indeed, Gorbachev's conservative second-in-command, Yegor Ligachev, warned in an Aug. 5 speech to party members in Leningrad that "new thinking" could undermine the communist tradition of having foreign policy on class interests and "new confusion among our friends abroad." He denounced strikes and democratization. Still, in a speech last year, Ligachev declared "It used to be said that the orchestra was conducted by Moscow, and that everybody else listened. That is no longer the case." For the militants of other Eastern European countries, that is a novel—and most welcome—refrain.

—ANTHONY WILSON SMITH in Moscow



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THE UNITED STATES

Bush's 'silver foot'



In New Orleans's enormous Louisiana Superdome, the elements for this week's Republican National Convention were settling into place. The three-toe blue drapery streaming off half the 81,000-seat football stadium had been arranged to create a sense of intimacy for the 4,384 delegates and alternates at the start of the convention on Aug. 15. And Washington producer Mark Goodson had alerted a last-minute guest

when country singer Crystal Gayle, scheduled to open *America the Beautiful* for the Aug. 18 finale—cancelled for emergency surgery—Goodson hastily recruited singer-actress Shirley Jones to fill the breach.

But as Republicans and media personnel poured in for the four-day extravaganza, the centerpiece of the show was still taking shape hundreds of miles away. In an unassuming study off the kitchen of her home in a Washington suburb, former White House speech writer Peggy Noonan was crafting the closing address that analysts agreed would be the most important speech of Vice-President George W. Bush's career. Even Bush's staunchest supporters admitted that the prime-time address, accepting his party's nomination, represented perhaps his last best chance to establish a positive image for an election now less than three months away.

For Bush, the task was daunting: Not only did he need to outperform his Democratic rival, Massachusetts Gov. Michael Dukakis, but he also had to make sure that he was not overshadowed by the opening-night rhetoric of his returning boss, President Reagan. Still, many Republicans worried that Bush's greatest danger at the podium lay not in competition with Reagan or Dukakis but in his own history of verbal misadventure. An syndicated conservative columnist, Richard Evans and Robert Novak put it

late last year, "The tongue gets him in trouble every other time he opens his mouth."

Ever since his unsuccessful bid for the Republican nomination in 1980, Bush has tended to perplex his audience—and amaze his traveling media corps—with garbled syntax, damaging off-the-cuff comments and outright blunders. In Washington two weeks ago, Bush startled a group of Republican leaders with his vow "I will never apologize for the United States of America—I don't care what the facts are." Asked by a reporter



Bush in Arizona fertility factory; the elusive common touch

late May how he planned to address the drug problem, Bush replied, "I'm going to be coming out with my own drug problem." But his most celebrated blunder occurred at a Republican rally in Twin Falls, Idaho, that same month. Recounting his years with Reagan, he said, "We have had triumphs, we have made mistakes, we have had sex." An shocked silence descended, he quickly corrected himself to say, "We have had setbacks." But as he joked later, "I feel like a gamblin' thrower who was the coin toss and elected to reverse."

Bush is aware of his verbal problem. "I don't always articulate," he told New Hampshire voters last February, "but I always do feel." Since then, he has received coaching from his chief media

director, Roger Allen Beil, after helping the vice-president lower his ready voice and slow his breathless delivery, even Allen could not prevent him from substituting a key interview with ABC's Ted Koppel last spring by repeatedly calling him "Tim." Explained Bush later: "I sort of got all blurred in there."

Last week, Bush protested that "I've been talking the same way for many years, so it can't be that serious." But several of his statements have provoked consequences that make many Republicans uneasy when they think of him as president. In May, 1996, his comments opposing U.S. intervention in currency markets—directly contradicting Treasury Secretary James Baker's international monetary agreement—and the dollar's plummeting. Dukakis has repeatedly cited Bush's reaction in 1981 to the Philippines detainee Ferdinand Marcos—"We have your adherence to democratic principles"—to reject his rival's claim to possess unbiased foreign policy judgment. And after a trip to Poland last October, Bush

centered last May, Bush asked him, "Did you go through a withdrawal thing?" And in Iowa, farmers still joke about Bush's explanation that many people had been too busy to vote for him in the state's February caucuses because "they were at their daughter's coming-out parties."

After Bush's handflitting Iowa debut, aides rushed speech writer Noonan—an attractive, blond 36-year-old who had recently given birth to her first child—in New Hampshire to put new words in the vice president's mouth. Noonan had been responsible for some of Reagan's most poetic flights of rhetoric, notably his tribute to the lost crew of the Challenger space shuttle. Over recent weeks, Noonan has sent Bush top-secret drafts of his convention speech on a business transmitter that sits on the kitchen counter next to her baby's playset. Campaign officials clearly hoped that Noonan's work setting would impart an authentic family feeling to the vital New Orleans address, compelling Bush in a laid-over Dukakis in the prime-time pitch. Indeed, as Bush elicits himself in his New Orleans hotel suite to penitence with a TeleProm-Text, his aides are cranking on Noonan's words to extricate him from what he once described to *The Wall Street Journal* as "deep sleep."

—MELISSA MCKINZIE in Washington



Baker contradicted

practices or his inability to concentrate." Speaker also ascribes much of Bush's awkwardness to his attempts to hide the signs of his paternity syndrome as the son of a wealthy U.S. senator. Arranging the common touch with a recovering drug addict at a Newark, N.J., treatment

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Demonstrators in Rangoon: poverty, political oppression and a food crisis

BURMA

The power of the poor

The protests in the streets of Rangoon, Burma's decrepit capital, began peacefully enough. Thousands of demonstrators marched in orderly columns carrying red banners and calling on the military-backed Rangoon government to give way to democracy. But just before midnight on Aug. 6, after standing aside all day, the security forces opened fire with 12-gauge shotguns on a crowd that refused to disperse. With that began a week of violent clashes that spread throughout the country. And as week ended, with casualties mounting daily, recently installed President Sanu Win sharply denounced the demonstrators—planning the country into further uncertainty.

Unlike previous protests, which were dominated by students, last week's demonstrations were joined by Burmese from all walks of life. Buddhist monks, workers, even children. And the unrest affected almost every part of the country in the northern town of Sagingyi. If people were killed attacking a police station in the southern town of Kowong, soldiers and police were forced to flee after prisoners seized the town hall, the post office, a police station and the customs office. In another town, soldiers

were reported to have stood by, allowing thousands of prisoners to march through the streets unchallenged.

The violence was most severe in Rangoon, where street battles raged all week despite the imposition of martial law and an 8 p.m.-to-4 a.m. curfew. Visitors saw soldiers in armoured cars and trucks chasing groups of protesters through the streets, some of them wearing masks and carrying metal bars and sticks. Some rioters built barricades across the deserted boulevards, while others looted rice shops and burned police buildings. On the worst day of fighting, Aug. 16, at least 38 people were killed, and rioters beheaded three policemen.

By week's end, the state-run media said that at least 96 people had been killed throughout the country and hundreds arrested in the uprising—the most since the military seized power in 1962. But Anthony Vincent, Canada's ambassador to Burma, claimed that "a conservative and reasonable estimate" of dead was closer to 1,000. Vincent, who is based in Bangladesh but managed to visit Burma last week, described the situation in Rangoon as "quite terrible—like a ghost city, with no traffic on the street."

The rage of the protesters has been building for years. A resource-rich land with a generally well-educated population, Burma descended into piracy after a 1962 military coup led by Gen. Ne Win. Under Ne Win's so-called Burmese Way to Socialism, officials sharply restricted contact and trade with the outside world and banned most private enterprise. As a result, while other Southeast Asian countries have enjoyed rapid economic growth, Burma has a per capita annual income of only \$150, ranking as one of the world's 10 poorest nations. At the same time, Burma, once a major rice exporter, is no longer able to feed its own people because of agricultural mismanagement and an inadequate food distribution system. And in the past eight months alone, the price of rice has risen by 400 per cent.

Anti-government riots in March and June forced Ne Win to resign late last month, but his choice of a successor only brightened popular anger. Sanu Win, a hard-liner who directed the ruthless suppression of the March riots, had been widely regarded as one of the most hated men in the country. Demonstrations in Rangoon last week denounced him as "dog," "traitor" and "Nazi."

Rangoon radio gave no explanation for Sanu Win's resignation as president and chairman of the ruling Burma Socialist Programme Party (BSPP) after just 17 days in office. But it said that a special meeting of the party's central committee and the national parliament would be held on Aug. 19—at which time a replacement might be chosen. In Rangoon, diplomats said that Ne Win would be expected to play a key role in the leadership crisis and in attempts to soothe public grievances over the killings of nearly unarmed civilians, rice shortages and rights abuses.

Still, observers said that it was unclear whether Sanu Win's resignation meant that the government was preparing to accede to demands for democracy and economic liberalization. The day before the announcement, Prime Minister U Tin said that the government would act swiftly to introduce economic reforms to boost living conditions—as soon as the unrest stopped. The protesters met with widespread skepticism and further rioting. Tourists returning from Burma last week said that almost everyone they met had expressed distrust, and often hatred, for the 1974 regime. Indeed, after 28 years of poverty and repression, it may be too late to prevent further widespread violence.

—MARKUS GIEB with correspondence from



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A WORLD OF CANADIAN TECHNOLOGY

Fighting for a landmark

From the beginning, the strange saga and bizarre cast of characters have surrounded the privatized British business world. Three years ago, mysterious Egyptian financier Mohamed Al-Fayed bought the most successful business in recent British history when he bought House of Fraser PLC, the parent company of London's world-renowned Harrods department store, from under the nose of flamboyant British industrialist Roland (Pip) Rowland. Since then, the feud has cost the combinator millions of dollars in legal fees and has generated hundreds of newspaper headlines. It has also entangled a colorful range of other participants, including the Sultan of Brunei, reportedly one of the richest men on earth, and a controversial Eastern mystic. And now the Conservative government of Margaret Thatcher is also about to be drawn into the fray.

Early next month, the United Kingdom's department of trade and industry is scheduled to release the results of its 15-month inquiry into the background of Al-Fayed's acquisition of House of Fraser, which owns Harrods and another 15 department stores throughout Britain. The report's contents and recommendations have been closely guarded by DTI officials. But Maclean's has learned that the report will be much more sensational than originally thought. Some analysts say that it will criticize the circumstances surrounding the takeover, including the conduct of officials with the investment firm Kleinwort Benson Lonsdale plc, who acted as advisers to Al-Fayed during the takeover and who were instrumental in providing the credibility needed for the outsiders' bid to succeed. As well, the report is also expected to be critical of the conduct and vigilance of the British government during the takeover—and that could lead to a reprimand of Britain's entire system for regulating takeovers.

Rowland says that he hopes the anticipated criticism will force British Trade Minister Lord Young to refer the takeover to the Monopolies and Mergers Commission, which could ar-

der Al-Fayed to sell off his House of Fraser holdings. And that could mean that Rowland and his company, Lonsdale PLC, might have another chance to buy the House of Fraser, which he says he has coveted since 1977. Some observers, including Andrew Hughes, an analyst with London brokerage house House Goetts Ltd., say that it is unlikely that Al-Fayed will be forced to sell out. And meanwhile, Al-Fayed, who has already sold 18 of the chain's stores in colorful episodes and has made significant management changes since taking control, says that he will never give up the company. Regardless of what the much-anticipated government report states, he says that he is confident he will remain in control. Said Al-Fayed: "There is no way I'd sell Harrods. It will be in my family for 1,000 years. I know that, and so does Tony Rowland."

Rowland says that he greatly wants to acquire Harrods, perhaps the finest department store in the world, which investment analysts say accounts for about 40 per cent of House of Fraser's annual profits. Owning the posh Knightsbridge flagship store would help give an air of respectability to the controversial Rowland. For nearly 140 years, a visit to Harrods has been a must for visiting royalty and millionaires. But Rowland's takeover plans were stalled in 1981 after the



Monopolies and Mergers Commission ruled that a takeover by Lonsdale was not in the public interest because it would limit competition. In 1983, Lonsdale, which had two members on Harrods' board of directors, was attempted unsuccessfully to have Harrods sold off as a separate company. That would have allowed Rowland and Lonsdale to buy it through the stock market.

It was Rowland himself who handed control of House of Fraser to Al-Fayed. In September, 1984, buyers acting for the then-relatively unknown Al-Fayed announced that he was making an offer. Rowland, his own plans for control delayed by the earlier commission ruling, decided to sell his 29.9-per-cent stake to Al-Fayed for a \$124-million price. Rowland said that Al-Fayed lacked the financial influence to follow through with his takeover plans. And Rowland added that it was unlikely the British government would give a foreigner the go-ahead to take control of the country's most famous store. But Rowland was wrong on both counts.

After Lonsdale sold its shares to Al-Fayed, the department of trade reversed its 1983 ruling against Lonsdale, clearing the way for anyone to try to take over the company. Minister of Trade Norman Tebbit then waved the Al-Fayed bid through in an unusually speedy 10 days. And in March, 1985, the Egyptian bought control of the company on the open market for an additional \$68 million.

Since then, a bitter Rowland has been waging a propaganda war of epic proportions against Al-Fayed. Rowland has privately published a long distribute scurrilous what he referred to as Al-Fayed's 20-year history of questionable business practices. As well, *The Observer*, a Liberal-leaning Sunday newspaper owned by Lonsdale, has published several reports stating that crucial client Al-Fayed made

about his background and wealth were exaggerated. *The Observer* and Rowland have also contended that Al-Fayed borrowed the money to buy the House of Fraser from the Sultan of Brunei, for whom Al-Fayed has acted as a business adviser and financial go-between. Rowland claims to hold proof in the form of a taped conversation between Al-Fayed and a man named Nemi Chandra Gandhi, who had first introduced Al-Fayed to the Sultan. Rowland says that the mystic—who was arrested in New Delhi on fraud charges earlier this year—sold the title to Rowland for \$2 million. Meanwhile, the Sultan has steadfastly denied that Al-Fayed used his money to buy House of Fraser. Al-Fayed's response to the charges is unequivocal: "I am a very wealthy man. Of course I had the

Al-Fayed has already won Lonsdale's *Observer* for 1984. A clearer measure of his determination can be found in the \$7 million in legal bills that he has run up since last year—compared with \$70 million for Rowland.

Al-Fayed, who has worked tirelessly to be accepted by British society, is secretive about his background and the extent of his wealth. But one thing that is clear is that he has been an influential adviser to several Arab sheiks—including the Sheik of Abu Dhabi, and, more recently, the Sultan of Brunei. The Al-Fayed family's interests are now said to range from the Ritz Hotel in Paris to mining and oil leases in Texas and a Mediterranean shipping line.

Al-Fayed, who is sometimes seen with Prince Charles and Diana, Princess of Wales, has ostentatiously said



Harrods department store in London (left); Al-Fayed; Rowland's strange saga, bizarre cast

money to buy House of Fraser."

Rowland has long been a magnet for controversy. An chairman and 13-per-cent owner of Lonsdale, he presides over a \$6-billion London-based conglomerate whose companies turn out everything from beer to *The Observer*. Rowland's influence is particularly strong in Africa, where Lonsdale's interests include Mercedes-Benz dealerships, gold mining, brewing, newspaper publishing, hotels and farming. But the marccral Rowland has won his share of enemies among the British Establishment. Indeed, some London businessmen say that his failure to acquire Harrods has been largely due to the fact that many people in London's business establishment disliked him. And in Al-Fayed, Rowland has an especially formidable enemy

that the funds for the House of Fraser purchase came from private loan operations in Switzerland. But during the past 15 months, DTI inspectors have been examining the route travelled by the funds that were used to make the acquisition, going through Al-Fayed's bank accounts and paying particular attention to the timing of each of the transactions. In any event, there seems little doubt that criticism contained in the upcoming report will fall still farther. Tony Rowland's accusations. And the murky corporate light could well become a full-fledged political scandal for the British government.

—JOHN LAMONT with SUZAN MORGAN in London

A jewel in the crown

It is the highest price ever paid for a publishing empire, and the biggest step in a three-year series of acquisitions worth almost \$10 billion. Last week, Australian-born media magnate Rupert Murdoch announced that he had agreed to purchase Canadian-based Triangle Publications Inc. for \$1.7 billion. Murdoch's worldwide media empire (includes more than 190 publishing and broadcasting ventures in eight countries). The Triangle deal will give him control of TV Guide, the largest-selling weekly magazine in the United States, as well as the *Daily Racing Form*, a digest for people who bet on horse races, and *Seventeen*, a fashion magazine for young women. Declared Murdoch: "We plan to make them the cornerstone of a great American publishing company."



Offices of TV Guide. Rupert Murdoch's debited acquisition to date

control the nation's prime source of news about television. The Canadian office of TV Guide is domestically owned and will not be affected by the Murdoch purchase.

The takeover deal was negotiated over five weeks by just three men: Murdoch, New York City investment banker John Wronski and Triangle owner Walter Annenberg, 86, the well-known philanthropist. Wronski told *Money* that Annenberg telephoned him on July 5 and told him he wanted to sell Triangle. Wronski met with Murdoch in New York City two days later, and on July 9, the three sat down together for the first time at Annenberg's home, just outside Philadelphia. The deal was concluded in

three Hills, Calif., on Aug. 9. But although there were no other bids and the purchase price was a record, Wronski said that "it was a good buy, and a good sale."

But last week, analysts speculated as to which nation Murdoch would have to shed in order to finance the deal. Charles Crane, an analyst at Prudential-Bache Securities Inc., said that the *Daily Racing Form* or *Seventeen* might be placed for sale.

And Andrew Schwartzman, executive director of the Washington-based consumer advocacy group Media Access Project, said that Murdoch could use TV Guide to unfairly promote Fox, the company-owned broadcasting company that he is attempting to turn into a fourth major U.S. television network. But Murdoch and a number of other analysts dismissed such concerns. Declared Kendrick Noble, media analyst with the New York City-based brokerage firm, Paine Webber Inc.: "Most viewers want to read about the big networks. We would like make sense to lose them as advertisers."

Nevertheless, the 51-year-old Murdoch continues to operate with a lean management team of fewer than a half-dozen top executives. Sold Noble "Murdoch runs his six major media companies essentially controlling the media around the world, and he wants to be one of those companies." For the lucrative Triangle jewel in his crown, Murdoch appears destined to reach that goal.

—MIKE DAVIS

Swallowed by a giant

With its blue-chip corporate clients and its connections to the Liberal Party, Toronto-based MacLaren Advertising is one of Canada's largest and most powerful domestically owned advertising agencies. MacLaren's rise to the forefront dates from the mid-1960s, when Leslie B. Pearson was prime creative force. The company then created the "Trouble Goodies" television commercials for Toronto-based Imperial Oil Ltd. and "The taste that will stay you cold" ad campaign for

Toronto-based Molson Breweries of Canada Ltd. But last week, MacLaren's president, Anthony Miller announced that the 65-year-old company has been sold for an undisclosed price to New York City-based advertising giant Linde Worldwide. Industry analysts estimate that the deal is worth \$10 million to MacLaren shareholders.

The sale of MacLaren is the latest in a series of takeovers of prominent Canadian advertising agencies by larger American firms. Last year, Chicago-based Foote Cone & Belding Advertising Ltd. bought Toronto-based Reynolds Ltd. Toronto. The merged firm/Reynolds Ltd. became Canada's largest ad agency, with 1987 bill-

ings of nearly \$300 million.

Linde Worldwide will merge MacLaren with its Canadian subsidiary to create a new company called MacLaren-Linde Inc. Miller said that MacLaren executives will run the agency, which is expected to become Canada's largest, with annual billings exceeding \$300 million. But David Martin, chairman of the national advertising committee, said that the party has had a policy of using Canadian ad agencies. He added that MacLaren had already been selected as part of the advertising team for the next federal election but that the decision is now under review as a result of the sale.

—DANIEL JENSEN

US BUSINESS WATCH

A publisher with a golden touch

By Peter C. Newman

Last week's purchase of Lester & Open Design is only the initial step in what could be an eventful \$250-million acquisition by Christopher Ondaatje into Canadian book publishing. The Papyrus Corp. president's unique intellectual and entrepreneurial publications will quickly turn him into a major player in what has largely been a nondescript and sometimes anachronistic print industry.

"I have my say in the communications area," Ondaatje told me. "My family has been in it on and off for the past 100 years." Ondaatje's brother, Michael, is an award-winning poet and novelist. Christopher continued: "Too many people at the moment are trying to carve themselves riches in publishing while blindly underestimating I don't intend to interfere editorially, but the industry badly needs some business savvy, especially in handling the sums of Canadian publishers intensively."

Ondaatje, who recently sold his share in the Bay Street investment boutique Loewen, Ondaatje, McQuinn, has purchased his own office building at 5 King St. W. in Toronto, which he intends eventually to turn into his publishing empire's head office. "I want to be Toronto-based," he said, "and to concentrate on books, or at least on print. Television tends too much toward stereotypes, and besides, I believe it's only in print that you can afford to charge more for quality products. I would love, for example, to have bought *Saturday Night* magazine. That would have been a perfect fit with book publishing, and I may yet be able to pivot toward publication in that line. It's becoming cheaper to start newspapers and magazines than to purchase existing properties."

Ondaatje, born in Cayman in 1935 and British-educated, arrived in Canada with \$12 in his pocket in 1963, originally wanted for the novel *The Englishman's Boy*. He founded *Montrealer* magazine and later spent more than eight years on the bottom side of *The Financial Post*. He established a related newspaper for the *Post* in London, Ont., and in 1967 wrote a book about Canadian print miniatures that has since sold more than 60,000 copies.

Having spent four years researching and drafting the volume, he submitted it to MacLaren and Stewart & Woodell's in 1967. They each agreed to publish it, offering a \$50,000 advance plus 30-per-cent royalties. Ondaatje

thought that was grossly inadequate and decided to put it out himself by raising \$3,000 among his friends. He immediately deposited the money in a bank. Then he presold the book to a national distributor, who paid him after 60 days and arranged to pay his printer only after 90 days. As a result, he produced his book at no direct cost to himself—and still had the original \$3,000.

That simple formula has guided Ondaatje ever since. His publishing company has produced several titles over the years, most of them art and history books. He has also invested in early Canadian art—especially by Frederick Arthur Verwer and Gerald H. Kober.

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has doubled nearly every year since, producing a net income of \$40 million for 1987 as revenues of \$110 million.

Ondaatje's activities have long since been reported in the *Financial Post*, initially through Papyrus Corp. but more recently through a subsidiary, Canadian Express Ltd. He has managed to capture 10 per cent of Fleet International Corp., the Broadview brothers' publisher without seeking arms in what is a typically undercapitalized and aging industry. When Don Arthur Fillion, the wealthy South American mining magnate, died in 1982, his estate included 38 per cent of Fleet, which is the personal holding company of Edward and Peter Broadview.

The investment was potentially profitable but difficult to deal quickly, so he was able to negotiate a \$50-million value for \$25 million, then sell it over for \$50 million (each paid three million Fleet shares). Although Fleet stock was then trading at \$15, its most value was less than \$20. But the Broadviews agreed to purchase two million treasury shares of Fleet at \$15, which provided Ondaatje with his \$35 million in cash.

Ondaatje summed up his investment philosophy by explaining that "less the stocks are likely to be risky if purchased purely for speculation. Investors are individuals who look on the climate, speculators gamble on the weather. Climate follows an established and predictable pattern, weather is naturally temperamental and changeable." He predicts a fairly serious recession for 1989 but an economic upswing after that, based mainly in North America. He points out that the U.S. dollar has fallen by about 80 per cent compared with other hard currencies in the past half decade and that the tide is economic growth is bound to swing back to this coast soon.

Ondaatje is silent on his immediate publishing plans. This move has been planned to suit one of Chester, N.S. (he also belongs to the Royal Bermuda Yacht Club and was a member of Canada's 1964 championship Olympic bobsleigh team) but he is due back in Toronto soon—and is bound to be on the acquisition trail. "I've not seen well spend the entire quarter of a billion dollars on publishing," he said, "but if we're lucky enough to invest in the right people and the right companies that fit into our corporate psychology, we won't hesitate to put our money behind our convictions."



Ondaatje: The industry made savvy



The Great One becomes a King

Tuesday, Aug. 9, 1988, is a day that few Canadian hockey fans will ever forget—the day the country lost its national hero, Wayne Gretzky, to the United States. It was one of the biggest deals in sports history. Edmonton Oilers owner Peter Pocklington traded the 27-year-old center and two other Oilers to the Los Angeles Kings for, in return, two top Kings players, three first-round draft choices over five years—and \$15 million. The announcement touched off a wave of sadness and anger among Oilers fans, thousands of whom called the Oilers head office and radio phone-in shows to protest the move. So did many non-hockey fans, who saw Gretzky as a modest and clean-living young man worthy of their respect. But at an emotional news conference in Edmonton that night, Gretzky said that the trade had been his decision. And he added, "For the benefit of Wayne Gretzky, my new wife and our expected child in the new year, it would be beneficial for everyone involved to let me play with the Los Angeles Kings."

But shortly after, three former Oilers stepped forward and told a different story—that Pocklington had forced Gretzky to leave Edmonton. Pocklington insisted that he had wanted Gretzky to continue playing for the Oilers. But late last week, the colorful entrepreneur lashed out at his former favorite son, saying that Gretzky had faked his move at the Edmonton news conference. "Wayne has an ego the size of Manhattan," said Pocklington. "I understand that, though. If people had told me how great I was, I was in and out for 10 years. I'm sure my ego would be a pretty generous size, too. And, although Gretzky maintained that the trade had been his idea, his new wife, U.S. actress Janet Jones, placed the blame on Pocklington. She added, "Wayne wouldn't let Edmonton, his kids, Canada and, most important, his teammates down without good reason. Pocklington is the reason Wayne is gone." Later, Pocklington issued a statement saying that his remarks about Gretzky's ego had been "taken totally out of context."

After the announcement of the trade, there was a momentary backslash against Jones, 32, whose house and work are in Los Angeles. One call-in to an Edmonton radio show compared Jones to singer Jacy Louche's widow, Yoko Ono, who was widely blamed by Beatles fans for the break-

up of the group after her marriage. Another asked, "Who wears the pants in that family?" Those comments quickly led Gretzky's best man, former Oilers Ed Snider, to defend Jones publicly. Snider told Montreal's *Star* "All of Wayne's friends know that he did not want to leave Edmonton. Wayne

At that point, Snider added, Gretzky resigned himself to moving. Snider told Snider, "let's get the first draft. May also said that in part of the deal, Gretzky was to say that the move to Los Angeles was his own idea. One of the goals: 'People who know Gretzky know he would not get up and say 'This is a better deal. The future's brighter in L.A.'"

Former Oilers defenseman Paul Coffey also said that Gretzky was dismayed about leaving the team. Coffey—who was traded to the Pittsburgh Penguins last year following a bitter dispute with the Oilers management—said that he had spoken with Gretzky in mid-July and that Gretzky was deeply upset. Declared Coffey, who played for the Oilers from 1980 to 1987, "There's a no bloody way he wanted to go [to Los Angeles]. He's a small-town guy." Coffey added that Gretzky was "just a piece of meat," and he at Pocklington at the height of his marketability (page 60).

The deal may, in fact, benefit everyone involved. Pocklington said recent Kings center Jimmy Carson, left-winger Martin Gernsten, first-round draft picks in 1988, 1989 and



Gretzky at Edmonton news conference: sadness and anger

1990 and the \$18 million. In addition, Gretzky is guaranteed a \$1.8-million salary until 1992 and a bonus of \$1 million in any increase in the team's gate receipts, subject to negotiation. Along with Gretzky—who has set numerous scoring records over his nine-season National Hockey League career, has eight consecutive most-valuable-player awards and led the Oilers to Stanley Cup victory four times—the Kings get Oilers defenseman Marty McSorley and center Mike Krushelnyski. After making the biggest deal in NHL history official, McNeil said, "I've got to be somewhat radical to sell hockey to

Wayne know he would not get up and say 'This is a better deal. The future's brighter in L.A.'"

Indeed, Pocklington was clearly trying to save the Oilers from the fate that the New York Islanders suffered. Like the Oilers, that team won two Stanley Cups between 1980 and 1983, led to victory by Denis Potvin, Mike Bossy and Bryan Trottier. But after Trottier retired, Bossy injured and Trottier past his playing peak—the team has lost its primacy. Pocklington, by trading for talented younger players now and by increasing his pick of the first-round drafts, has a good chance of building a strong team for the 1990s. At the same time, the trade is a relatively weak team has somewhat weakened Gretzky.

For the Kings, the trade is a good short-term gain, according to Quinn, and the club is taking the risk of cutting off its future to save the franchise now. "It's a short-term city," said Quinn. "Gretzky will have an effect on their team, and if he can make them winners, then it's going to be a tremendous move. I think they'll bring more people into their building—perhaps even sell it out—because of Gretzky."

And in the city of perpetual summer, that is clearly the effect that McNeil is hoping Gretzky will have. Hockey in Los Angeles falls behind basketball, baseball and football in popularity, and the Kings franchise is the only one that routinely fails to fill the 18,000-seat Forum. And in terms of ability, the current team has ever gone in 1982, when the Kings beat the Oilers in the first round of playoffs, only to lose the second round

Already, Edmonton's loss has been Los Angeles' gain. Both clubs' phones were almost constantly busy last week—but in Edmonton, the calls were from disgruntled Oilers fans wanting to cancel their season's tickets. In Los Angeles, by contrast, callers' demands were much different. Last year, the Kings sold out the Forum only five times out of 46. Average attendance was 11,962 per game, resulting in \$13.69 in their peak year of 1984-1985. But by the end of last week, the team had received more than 4,000 requests for season's tickets—compared with the

phones in the office are jammed. It's been crazy."

Former *Saturday Night* magazine publisher Jack Kent Cooke bought the rights to a franchise in 1966 and—with no plan to play his Kings—bought The Forum, which the Kings opened in Dec. 30, 1967. Twelve years later, Cooke—who now owns the Washington Redskins—sold the franchise to real estate speculator Dr. Jerry Buss, who was sole owner until 1986, when McNeil sold it to go into the team. Over the next two years, McNeil spent \$15 million to get 300-per-cent ownership of the franchise, which he obtained in March 1988. Now board chairman of coin dealer Numismatic Fine Arts Inc., McNeil, 58, is also owner of a large stable and board chairman of a movie company. Still, although he secured a place for himself in the history last week, even Gretzky may not be able to turn around the fortunes of his team.

But one man who says that he is certain Gretzky can do just that is his brother, Walter—who, asked that he had now become the Kings' No. 1 fan. And, like other Canadian hockey enthusiasts, the elder Gretzky said that he was disappointed to see his son leave Edmonton. "After 10 years, it was his home," said Walter Gretzky, adding "Dave Lumsley, a former Oiler, summed it up right. He said, 'Edmonton with Wayne is different city. Edmonton without Wayne is just another city in the West.' He added that planner to it. It's just not the same."

On March 30, 1986, Peter Pocklington said of Gretzky, "There is no price as great as that. They'd have to hand it to me." And what Pocklington's secret reasons were for ultimately taking that chance—and setting off one of the most controversial and emotional sports deals of the century—may never be known. Shortly after his verbal attack on his former star last week, Pocklington went on a fishing trip in the Arctic and did not plan to return for a week. But one thing is certain: as the Kings' first exhibition game in the Forum—scheduled for Sept. 8—it will be standing room only.

—NORA UNDERWOOD AND
CHRISTINA STYCE • Vancouver
KEVIN TREVITT AND ERIC FLORES • Edmonton
AND JONNE GRONROOS • Los Angeles



Now, Gretzky at L.A. conference; Pocklington (below) 'new boss'



phones in the office are jammed. It's been crazy."

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Sport and salesmanship

It was a devastating year for Peter Pocklington, the controversial and far-reaching Edmonton businessman. In 1988, with the Alberta economy in a deep slump, he lost the Pocklington's oil company and his partnership into co-ownership while federal regulators took control of his financially troubled Fieldity Trust Co. As well, Pocklington's bid for the leadership of the federal Progressive Conservative party failed miserably. But since then, the money borrowed largely from the provincially owned Treasury Branches, he has quietly rebuilt his empire by acquiring the pork-processing plants in the United States and Quebec, as well as Calgary-based Pulse Dairies Ltd. But after trading superstar Wayne Gretzky from the Edmonton Oilers to the Los Angeles Kings last week, Pocklington was once again involved in controversy. Alberta's opposition parties charged that Pocklington had pledged Gretzky's contract as collateral on a business loan and they questioned whether he was entitled to trade the superstar centre.

After Gretzky announced the blockbuster trade on Aug. 9, new revelations about Pocklington's role in the deal emerged daily. Arthur Griffiths, the governor of the Vancouver Canucks and son of owner Frank Griffiths, told *Maclean's* that Vancouver businessman Nelson Skalbania had acted as a middleman in negotiations between Pocklington and the Griffiths family in an attempt to forge a trade of Gretzky to the Canucks. Griffiths added that he barely reported it as two easily. And Alberta opposition politicians continued to claim that Donald Getty's Conservative government should block the trade unless Pocklington repaid Gretzky's contract with cash or assets of equal value as part of the collateral on his loans of about \$42 million from the government. Meanwhile, on Aug. 13, a spokesman for the entrepreneur said that he had left Edmonton for an Arctic fishing trip.

Although rumors of a Gretzky trade only surfaced in the media within the past two weeks, the negotiations actually began last February, when Skalbania approached Griffiths about trading for

the superstar. Griffiths said that he phased Pocklington, who confirmed that Gretzky was available. Skalbania then began negotiating with Pocklington and eventually went to the Griffiths family with a deal that would have cost them 35 per cent of the franchise, about \$15 million in cash and several players and future draft choices. Griffiths said he later discovered that Vancouver businessman Jimmy Poitout had agreed to contribute up to \$1 million in order to ob-



Griffiths and Pocklington in happier times: buying, selling

tain partial ownership of the Canucks—and marketing rights to Gretzky endorsements. The deal also would have given Gretzky a share of the team. Griffiths said that Gretzky was prepared to accept the arrangement if he became a part owner of the team. But Griffiths said that he barely preferred not to relinquish any part of the Canucks.

Because millions of hockey fans idolize Gretzky, Pocklington was able to use him for years to further his commercial ambitions. In December, 1987, the businessman pledged his co-ownership with Gretzky and 24 other players, as well as the contract of Oilers president, general

manager and coach Glen Sather as collateral against a \$20-million loan from the now-defunct Canadian Commercial Bank, which was based in Edmonton. The government later took it over and amalgamated it with two other loans for the \$42-million total.

In a CBC Radio interview last week, Pocklington said that the Treasury Branches had retained Gotsky's contract from the security package as the loans about three years ago. That same day, Alberta New Democrat Leader Raymond Martin told a news conference that records kept by the provincial government's department of consumer and corporate affairs still list the Gotsky contract as collateral against the loan. Martin added that the government should block the trade unless Pocklington repays Gotsky with other assets.

Pocklington has made a career of buying, selling and sometimes bartering. Now 46 and a native of London, Ont., he is reported to have displayed an entrepreneurial streak as a promchelor by selling clients to neighbors and as a manager, by selling the family's Cadillac for \$2,000 and a 1966 Plymouth for \$1,000. He was a high-school dropout at 17, and, by 20, he was running his own Ford dealership in southwestern Ontario. In 1971, he moved to Edmonton to take over another Ford sales operation. Within a decade, he had put together an empire that included real estate, two car dealerships, a trust company, two manufacturing companies, soccer, hockey and baseball franchises and an oil and gas company.

The revenues of the early 1980s reduced his holdings to General Inc., the Edmonton-based investment company, the Oilers and the Edmonton Oilers. A minor-league baseball team affiliated with the California Angels. Because his assets are all held by private companies, Pocklington does not publish sales figures or profit-and-loss statements. But one Edmonton businessman, who has often dealt with him and said that he doubts Pocklington was under any financial pressure to sell Gretzky. Indeed, Canucks governor Griffiths said that Pocklington treated Gretzky like any other asset that could be sold simply for a monetary gain—and to acquire more assets.

—DARCY JONAS with KERRY GOSSETT in Edmonton

PEOPLE

For former prime minister Pierre Trudeau, summer-time recreation is much more than lying around in the shade. The 68-year-old Montrealer is spending time this month trekking through the icy landscape of Greenland, getting in shape for a three-week October mountain-biking expedition in the Himalayas. The visit to Inuits will also provide Trudeau with another chance to play international statesman. On the eve of the journey, he will tell other Canadians, including last speaker Lucien Bouchard—in 1982, he was the first Canadian to climb Mount Everest—will deal with Indian Prime Minister Rajiv Gandhi and Minister of Trudeau's stomach. "There are no cowboys on that guy."



Sade: strapping from self-imposed exile to test the limelight again

According to an ancient Chinese belief that eight is a lucky number, Britain's newest prince entered the world in a most auspicious way. The first child of Andrew and Sarah, the Duke and Duchess of York, both 35, was born shortly after 8 p.m. on the eighth day of the eighth month of 1988. She weighed six pounds 12 ounces. Four days later, the baby—fifth in line to the throne—and her mother left London's Univercity appointed Portland Hospital, where a private suite costs \$725 a day. Queen Elizabeth II, who was en route to Scotland at the time of the birth, is to see her fifth grandchild this week, but a palace spokesman reported that "all

Sarah and daughter: auspicious birth



members of the Royal Family are very pleased with the news."

Gates arrived in a party next month for Pierre Berton, 68, most recent emergency survival guide—and provide the names of most of his. Otherwise, they will not be allowed to attend the most spectacular in a series of lectures for Berton's 34th book, *The Arctic Grand*—a history of Far North exploration—as an oil rig in the Beaufort Sea. While the popular historian acknowledges that the Arctic still challenges its inhabitants, he says that oil rig covers are far better off than the first explorers. Says Berton: "They get blown in by helicopter and they get blown out. The explorers were stuck in ice-covered strips all winter with nothing to do but sit in the dark. There's a hell of a difference."

Two years ago, Quebec playwright Grégoire Gosselin, now 38, wrote *The Passion of Narcisse Mendonça*. He went on to play the title role—a plumber who becomes overcast at old times on the day of his husband's funeral. His real-life spouse, actress Marguerite Cléary, portrayed the desolate widow. Last week, the couple re-created their roles speaking

the other official language, as the romantic comedy opened an English-language run in North Bay, Que. After playing Mendonça more than 160 times in French, Gosselin acknowledged that meeting an English version was intimidating. Said Gosselin: "I felt like I was stepping into the ring over again, not wanting to get knocked out."

Sadder news is a mixed blessing for Nigerian-born pop star Sade, 35. Her 1984 album, *Diamond Life*, sold more than 10 million copies, and her elegant, exotic looks landed her on several magazine covers. But the singer had difficulty handling media attention and, in 1986, announced that she had decided to "go to ground." Now, she is in the bright light with new album, *By Your Side*, and a North American tour that includes four Canadian cities in keeping with past practice. Sade is shunning interviews. Said

Valerie Lepp, media manager for the Records Canada Ltd.: "Sade is the type of performer who concentrates totally on her music."

The voice of *Bliss* is alive and singing in Ohio. Although Aug. 16 marks the 11th anniversary of the rock legend's drug-related death at 42, his music rolls on, 24 hours a day, on radio station WOL in Cincinnati. This month, the former country-music lesson became the first station to adapt an all-silence

mail. Programming features the more than 40 songs recorded by Presley, interviews with those who knew him and trivia about the King. Program director Steve Patton, who said that the station needed to be all shock up, said that advertising revenues have increased dramatically. Explains Patton: "Ebon is an important part of a lot of people's lives."

—FAMILA YOUNG with correspondents' reports

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The Prime Minister and the media

By George Hain

The town of Comox, one-third the way up the east coast of Vancouver Island from Victoria, holds an annual five-day midsummer festival called Nautical Days, at the end of July and beginning of August. This year, on the bustling Monday, Aug. 1, the guests of honor were Prime Minister Brian Mulroney and his family. A spot was set aside from which the visitors could watch the parade. The Prime Minister's media advisers could be seen at the thought of pictures that night on home screens across the country showing their about-to-be crownwearing enjoying a relaxed summer outing among happy crowds in an attractive port town.

A media event, then, calculatedly arranged for the purpose of gaining low-key publicity for the coming election? Or simply a public appearance of the sort that prime ministers have an obligation to accept because the people, from time to time, have a right to see in person, and to hear from, the leader of their government? Both—with the slight balance of truth probably to the former.

Estimates that several local media people say are about right are that there were 3,000 to 4,000 people out for the festivities when the Mulroneys were there. One reporter, who was situated near where the Mulroneys were seated, says that there were about a dozen sign-carrying young people—some with green leaflets—going along there in advance and about another dozen older protesters who carried anti-free trade signs and became more active in seeking the attention of the cameras. In total, then, 35 or 40 protesters in a crowd of at least 3,000 times as large.

The first I heard of the Mulroneys' visit to Nautical Days in Comox, except what I had seen on television and read in the newspapers, was that a national television reporter had told someone, who told someone, who told me, that one of the demonstrators, when asked where he got his placard, said it was at Robert Skelly's headquarters. Skelly is a senior B.C. New Democrat, in the election joining his brother Raymond Skelly, already an MP, in contesting one of what are now two Comox-area seats.

Robert Skelly flatly denied to me by phone that he or any of his workers had handed out placards to anyone or that

he had organized the demonstration, although he acknowledged readily enough that some, probably most, of the demonstrators were New Democrats—and why not? There was no mystery about the NDP's being totally opposed to the free trade agreement, which the demonstration mainly was about.

A local newspaper reporter, again by phone, said that he overheard a CBC French national news television reporter, whose name he did not know, say in the wrap-up to his piece that the protest was organized by the NDP. Eventually tracked down, the reporter, Georges Trembl, said he had not said that, although he did comment on the organized opposition that Brian Mulroney would expect encounter in British Columbia, from the closely aligned NDP and labor unions.

Another local reporter, this one in radio, said that the expression he got

Comox demonstrated that raising a stink works—not just on TV but in print, which more and more mindlessly follows

was that the outside media had come to Nautical Days looking for conflict. The way he put it was: "That's what everybody wanted. You know, 'Mulroney is hated here and free trade is not wanted.' That sort of thing." He added that, watching television news that night, he was surprised to learn that the Prime Minister had been asked to avoid protesters because he himself had been asked to get to Mulroney at the hotel across the street, and "if he was unable to avoid the protesters, they would have been there as well." Evidently, however, there were more signs and shouting at the nearby airport when Mulroney left.

The common impression of the several local people I talked with was that, if not by the NDP, the demonstration certainly was for the NDP—and that it was organized.

At the other end of the country the next day—and so distant in newspapers across the country in roughly similar terms—the *Halifax Chronicle Herald* declared in a co-edition page across a main national news page "Mulroney unable to avoid anti-free trade demonstrators." Newspapers on national tele-

vision the night before had declared the same placard-waving demonstrators.

Beneath the headline, the Canadian Press (CP) story from Comox said: "Try as he might, Prime Minister Brian Mulroney couldn't avoid anti-free trade demonstrators at a parade here Monday. When he arrived at his spot to watch the Nautical Days parade, he was greeted by about 50 people waving placards reading 'Stop the deal.' Let Canadians decide and The Not vote." "Tell us about the free trade deal," one man shouted. "Mulroney, tell us about the selling."

"The Prime Minister turned his back and worked his way into a friendly crowd. That didn't stop Mark Salter, who got past security long enough to tell Mulroney in a microphone his stop-the-deal sign. But he didn't say anything," Salter said later. "All his goats moved in. And they wouldn't autograph it either."

A true picture? In narrow focus, yes. The protesters (although, by local count, fewer than CP estimated) were there, as were the placards and the shouts. And, true, the Mulroneys had been relocated to other seats to get away from the signs being waved in their faces.

But in a broader sense, no. What was reported, both on TV and in print, which had been induced by the theatre staged for TV, was a distortion of the larger reality. The Prime Minister had spoken only a few words at Comox, but, as reported, the first words spoken at all, except by the protesters, appeared in paragraph 10.

Douglas Fisher's always astute column in *The Toronto Star*, on Aug. 3, was headed "Nautical days as the last"—a reference to the campaign ahead and the possibility that Brian Mulroney, and in a lesser extent John Turner, face. This will be at the hands of a media corps seemingly bent on giving Edward Broadbent what Fisher termed "an anglic free ride," and from union leaders who "have rarely been persuasive speakers or freely vanguard through televised exposure" but who have learned to orchestrate street and hall scenes that "have a stink and make *The National*" Fisher wrote that countermeasures might be needed.

Was Comox demonstrated, not for the first time, is that raising a stink works—and not just on TV but in print, which more and more mindlessly follows.



COLD-AGED GOLDEN

MOLSON GOLDEN

ABOUT AS SMOOTH AS IT GETS



John Allen as Wile E. Coyote; Bridges' rockabilly curves and a Cyclops eye

FILMS

Recalling the dream car

TUCKER, THE MAN AND HIS DREAM
Directed by Francis Ford Coppola

In 1947, when Francis Ford Coppola was 8, his father took him to see an extraordinary new car called the Tucker Torpedo. It had rocket-ship curves and a Cyclops eye—a remote headlight that swiveled with the steering wheel. Created by maverick inventor Preston Tucker, it introduced such innovations as disc brakes, a water-cooled rear engine, a padded dashboard, and seat belts. But federal authorities, led by Detroit's Big Three automakers, charged Tucker with securities violations in 1948. Although he was later acquitted, the scandal drove him to bankruptcy, and his factory was forced to close after manufacturing just 50 cars. Coppola's father, Carmine, had invested \$2,000 in the company—and ordered a Tucker Torpedo. To the disappointment of young Francis, it was never delivered.

Now, Coppola has turned that memory into a cinematic fable so slick and fanciful as the car his father never owned. *Tucker: The Man and His Dream* is, in fact, a tale of two dreamers: Preston Tucker and Francis Coppola. The parallels between their careers are too obvious to ignore. Just as the carmaker tried to override Detroit's Big Three, the film-maker tried to build a dream fac-

tory beyond the bounds of Hollywood's studio system. And, like Tucker, Coppola has often been overwhelmed by his vision. His 1979 epic, *Apocalypse Now*, went wildly over budget, costing Coppola a nervous breakdown and \$55 million of his own. The movie turned out to be a hit, but his 1980 gamble, *The Godfather Part II*, a \$26-million Las Vegas love story, bombed so badly that it destroyed Coppola's Zestropia Studios—his bid for a place in the Hollywood sun.

Since his teens, Coppola dreams of steering the Tucker map. After buying the rights to the story in 1978, he conceived of it as a complex musical about the spirit of American invention. But with Zestropia's crash, Tucker ran into a roadblock. And as other studios were ready to back a \$10-million movie about a failed carmaker, Coppola finally turned to a former protégé, producer George Lucas (*Star Wars*), who insisted on an upbeat, Disneyesque approach. "He wanted to candy-apple it up a bit," said Coppola, confessing his reservations about the final product. "It's a good movie," he added. "It's romantic, a little wacky—like the Tucker car—but it's not the movie I would have made at the height of my power."

The movie's breathless style mimics the automobile's impatient curves. The film even begins as a mock advertise-

ment for the car. Jeff Bridges (*Unholy Desires*) portrays Tucker as a naive, fidgety, fan-loving visionary. In his first scene, he shows up at his country house with a demo (aluminum in tow). "I loaded the Packard for them," he announces, then piles his family into a bubble-topped automobile and heads for the door—way—a Tucker prototype from the Second World War. *Singing Tiger Rag*, they speed into town for an event with a police car on their tail.

The movie paints a nostalgic picture of postwar America, an innocent world where teenagers are happy to play Monopoly and drink tall glasses of milk. Tucker personifies

the notion that, thanks to free enterprise, anything is possible. He teams up with an insecure entrepreneur named Abe Karatz (Martin Landau), who sells Tucker dealerships and helps make the car a household word even before it comes off the assembly line. Meanwhile, Tucker's loyal crew of technicians works miracles with scrap metal to assemble the prototype.

The supporting cast—which includes Canadian actor John Cazale as a snarling, but Tucker's character is so stylized that he seems less real than the car. Indeed, Coppola rarely lets the audience forget that it is watching a movie. His images are cluttered with concepts, the workings of a director too unimpressed with his craft. In one scene, as two characters talk by telephone from different sites, the camera only shows the parties dividing the two sets. And Tucker's final courtroom speech is laced with some highly striking (albeit over-the-top) metaphors: "We're subjugating everything we fought for," he says. "We're going to find ourselves at the bottom of the heap, burning our riches and our cars [from the Japanese]."

Although Coppola's self-indulgence is never boring, it is distracting. By trying to match Tucker's extroverted style in his own direction, Coppola does a disservice to the story. The simple facts of Tucker's rise and fall, darkened by political intrigue, are overshadowed by a parade of individual characters versus corporate evil. With *Tucker*, Coppola has provided a show-room glimpse of a vintage dream. But the movie leaves the audience longing to know what is under the hood.

—BRAND J. JOHNSON

For more information about the Argos, listen mornings and afternoons to Pat Marsden and Bill Stephenson. It's when the game ends that the stories begin.

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AM STEREO

Insights and delights

It is unusual for certain great dramas—Shakespeare's *King Lear* and Sophocles's *Oedipus* among them—to be performed by younger actors. Those tragedies contain a so-so beauty and depth of insight that usually take a great deal of time and experience to appreciate. Despite that, Robin Phillips, director of the Stratford Festival's Young Company, has given both *Lear* and *Oedipus* to his youthful charges as part of their summer season. And many of the actors—the majority of them in their 20s—triumph over the challenge. They couldn't wait on the two plays (and on the 20th-century satire *The Critic*, which is double-billed with *Oedipus*) serves up some stiff competition for the southern Ontario festival's regular company, which recently added *The Three Musketeers* and the 1956 musical *Irma La Douce* to Stratford's 1988 season.

The Young Company has not been left entirely alone with the magnificent challenge of *Lear*. Phillips has given the title role to Stratford's great veteran William Hatt, who delivers a performance of intelligence and passionate detail. Rather than playing *Lear* as the usual lonely raging tyrant, Hatt leads the old man a frailty from which his ferocious strikes unexpectedly, like the pathetic snare of a dying animal. No one else in the cast can touch Hatt's authority, but Marlee Adair and Brian Byrne (as his daughters Goneril and Regan) and Peter Donaldson (as his loyal noble, Kent) lend a production that consistently allows the joy of hearing Shakespeare's greatest verse delivered with thoughtful clarity.

For all its attractiveness, Stratford's current *Lear* is flawed by aestheticism and vague understatement by time. The same weakness is evident in *Oedipus*, the fifth-century tragedy about a king who sets out to free his city from a curse—only to discover that he himself is its cause. The production sometimes gives the impression of straining for profundity, but it possesses one overrid-



Recent: Peira, Davies, Kennedy, Goodwin, Higgs and a Pina possidite

ing compensation: Phillips's brilliant staging. He actually turns his actors into a company of modern dancers. And in simple black or white bodysuits, they depict the plague-ridden citizens of Thebes by writhing on the stage. From this chaotic yet expertly managed mass of bodies, the principal actors rise up like spectres to make their speeches—then sink mysteriously back.

It is a far cry from the poetry of *Oedipus* to the brittle wit of *The Critic*, Richard Brinsley Sheridan's lampoon of playwrights, hack critics, actors and much else. But the Young Company demonstrates its mastery of the other end of the dramatic scale with a rarely measured robustness. The range that the actors are developing under Phillips is impressive.

Also in a comic vein, the main company is mounting a charming revival of *Irma La Douce*—based on many people in its notorious film version starring Shirley Maclaine and Jack Lemmon. It is a sentimental tale of a golden-hearted Persian prostitute, Irma (Susan Heflin), and her lover, a law student called Nestor (Scott Wentworth). Irresistible of Irma's contumacious Nestor inaugurates as a rich old gentleman who monopolizes her attention. But when he tires of the ruse and pretends to murder his aged rival, he is sent to prison. Things get even sillier, but with Jeff Hynes's direction

and choreography, Heflin's luscious beauty and Wentworth's low-key sexuality, *Irma La Douce* is a delight.

Only a fraction less successful in *The Three Musketeers*, the frothy melodrama excerpted from Alexandre Dumas's 1844 novel by Peter Daly and directed

by Richard Ousman. There are, of course, actually four musketeers, including the innocent D'Artagnan (Gerrard Wyn Davies), the lappish Portos (Stephen Russell), the romantic Aramis (Lorne Kennedy) and the melancholy Athos (Colin Firth). Adept at debating other swordsmen, they have more trouble with their anatomy. Milady de Winter (Gaille Scapellato), a woman so prepotently evil that it would not be surprising if she gave Sigmund Freud a headache, is about as superficial as drama can get without expurgating. But between it and the Young Company's *King Lear*, this year's Stratford Festival has something for everyone, whether the aim is a temporary escape from life or a free fall into its deeper mysteries.

—JOHN BORDOW

MACLEAN'S BEST-SELLER LIST

FICTION

- 1 *Alaska, Mother* (2)
- 2 *Zona, Steel* (3)
- 3 *The Secret Agenda, Ledford* (1)
- 4 *To Be the Best, Goodkind* (3)
- 5 *The Cardinal of the Kremlin, Clancy* (10)
- 6 *Rock Star, Collins* (4)
- 7 *The Tunnelers, King* (7)
- 8 *Tell Me What, Andia, Kravitz*
- 9 *Pride to Foundation, Arnesen* (6)
- 10 *People Like Us, Dwyer* (3)

NONFICTION

- 1 *Talking Straight, Jackson* (2)
- 2 *A Brief History of Time, Hawking* (3)
- 3 *Trump: The Art of the Deal, Trump* (2)
- 4 *Serve With the Sharks Without Biting, Ertus* (4)
- 5 *Shocking, Mordant* (5)
- 6 *Duchess of Windsor, Wigham* (7)
- 7 *Muskrat, Jackson* (3)
- 8 *Thirteen on Chess, Peters* (4)
- 9 *The Natural History of Canada, Lawrence* (1)
- 10 *Robert Kennedy in His Own Words, edited by Gorkman and Shalansky*
- 11 *Pleasure, Creation and Destruction, Haffington*

(1) Figures last week

—Compiled by Chloé Fraser

Life in the FRESH LANE.

Wait to wait
fresh faces, fit
up by the rewards
of yogurt addiction.
The pure power of an
original Smoothie shake.
The anyday goodness of
a fresh fruit and yogurt
sundae. The nutritious
fresh taste of a yogurt cone.
Where else can you find
so many fun things,
that are
GOOD things?

Cultures
Fresh Food Restaurants.

Australian cultural imperialism?

By Allen Fotheringham

His falls under the category, one supposes, of letting the fingers that feed you. It is supposedly one of the most despicable acts of human nature. Personally, I feel there are so many despicable acts to consider that one must inevitably succumb to some of them. An Oscar Wilde summed it up for me. I can resist anything but temptation. Or, in yet another way, that's what the Ten Commandments only to be attempted. The sin this time is to put the knock on a chap who supplies part of my page-charge. The devil made me do it.

For years, I have watched Rupert Murdoch from afar, undoubtedly the best distance. He is Australian, which is a handicap from birth. He has, however, striven to overcome this handicap and has been gradually buying up the world. I have resisted the impulse, so far, to slap him on the wrist and cry desert. Unfortunately, he has gone too far this time and it is only appropriate to move on him. He is a threat, to thee and to me. His latest caper—the largest deal yet in the communications industry—goes beyond the bounds. We've got to do something about the boy.

Murdoch controls an outfit that owns a fair bank of one of my employees. The way he's going, he's going to own everything. The sweetest thing is that he has just bought, for three million dollars, something called Triangle Publications Inc. from Walter Annenberg, a fat cat on whose Palm Springs estate I. R. MacKenzie spends every Christmas (a sign as the gate announces: "Traders will be chee"). Triangle comprises three of the most lucrative properties in the realm of thinking: TV Guide, which happens to have the largest circulation of any magazine in North America; *Readers*, the teenage escape from acne; and the *Daily Mirror*, the bible for dressers who do not like to face reality.

This goes further toward Murdoch's plan for a global communications company that would be a single outlet for international advertisers in this way

man was put on Earth? Is this really progress, as we measure it?

Murdoch is invincible. His newspapers control 60 per cent of the market in Australia, more than a third of the market in Britain—including *The Times* of London and *The Sunday Times*, as well as the usual Murdoch 't' have penny dreadfuls. He has a toe-hold in Asia, his *South China Morning Post* dominating the Hong Kong market. He has a major stake in Reuters, the international news service. He owns TV and cable operations in both the United States and Europe. He now

counter-versions of journalism to the greater good of the communications in Toronto. What's the point? Who needs a lifeline after you've got a wallflower? Only cupid knows.

Murdoch, as opposed to the Thomson white-bread mentality, at least has vulgarly going for him. His most famous headline, in the *New York Post* he has since been forced to sell by a U.S. Congress concerned about media monopoly, was "Headless body found in suitcase box." But that's old stuff. His first media acquisition, a richly Sunday paper in Perth, once screamed on the front page, "Luper rapes virgin, gives birth to monster baby."

How the leprosy made would give birth to a governmental money known only to the Murdoch school of journalism, but there's a key somewhere. Daddy, newspaper proprietor Sir Keith Murdoch, sent him off to Oxford where all those tiffin-mad Brits undoubtedly made fun of that dreadful accent. As a matter of revenge, he has decided to take over the world.

No one minds that much if we are into widgets or computers. But here we are dealing with ideas. Are we to assume that the TV Guide critics, in dealing with 20th Century-show productions and cable sitcoms, will be completely objective? Big John Barnett, when publisher of the daily dead *Toronto Telegram*, was once asked by an obstreperous TV interviewer, "Is it not true you use your newspaper to push your own political views?" Barnett raised the five-point eyebrows and replied: "Of course. Why else would you want to own a newspaper?"

The difference is that Murdoch, a global Barnett, doesn't even just a newspaper. He owns most of the world's communications network. He owns so much of it. Those of us who work in it grow nervous about too much control in too few hands. Those who watch and read it, dependent on it for supposedly untainted information, would be well-advised to be even more nervous over the source and slant of the information.

Why, Rupert, do you want so much? Could you tell me, Rupert, as the next page-turner, why?



owns 20th Century-Fox, not to mention Harper & Row, the prestigious New York publishing house. He is the major shareholder in Pearson PLC, owner of *The Financial Times* of London, which has a piece of the *Financial Post* of Toronto.

When is enough enough? It's always puzzled me. When I was young, 130 years ago, I had the choice while living in London of either starving to death or working for a strange little sheet called *Canada News*, run by a chap who is now Lord Silverton himself, otherwise known as Ken Thomson of Toronto. Not over being a great fan of starving, I subsided to the offer of bread and grease.

Lord Silverton actually appeared one day, striking me as a shy soul rather than an enthusiastic subscriber of his grasping father's ambition. His demeanor makes no difference the Thomson empire, for some inexplicable reason, grabbed up yet more prospecting virginial weeklies all over North America each year, expediting the same bland, ban-

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